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2122-CC09577 - NEIGHBORS CREDIT UNION V INTEGON NATIONAL INSURAN (E-CASE)

Case File	Parties & Attorneys	Docket Entries	Charges, Judgments & Sentences	Service Information	Filings Due	Scheduled Hearings & Trials	Civil Judgments	Garnishments/ Execution
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12/09/2021 ☐ [Corporation Served](#)

Document ID - 21-SMCC-14161; Served To - INTEGON NATIONAL INSURANCE COMPANY; Server - ; Served Date - 17-NOV-21; Served Time - 10:35:00; Service Type - Sheriff Department; Reason Description - Served

12/07/2021 ☐ [Filing:](#)

DEPARTMENT OF COMMERCE AND INSURANCE

11/19/2021 ☐ [Entry of Appearance Filed](#)

Entry of Appearance; Electronic Filing Certificate of Service.

Filed By: STEPHEN C HIOTIS

On Behalf Of: NEIGHBORS CREDIT UNION

11/10/2021 ☐ [Summons Issued-Circuit](#)

Document ID: 21-SMCC-14161, for INTEGON NATIONAL INSURANCE COMPANY.

11/09/2021 ☐ [Corporation Served](#)

Document ID - 21-SMCC-13820; Served To - INTEGRON NATIONAL INSURANCE COMPANY; Server - ; Served Date - 29-OCT-21; Served Time - 00:00:00; Service Type - Sheriff Department; Reason Description - Served

☐ [Jury Trial Scheduled](#)

Scheduled For: 04/18/2022; 9:00 AM ; MICHAEL FRANCIS STELZER; City of St. Louis

11/08/2021 ☐ [Amend Pet/Mot to Modfy Filed](#)

First Amended Petition; Exhibit 1; Exhibit 2.

Filed By: JAMES GERARD NOWOGROCKI

On Behalf Of: NEIGHBORS CREDIT UNION

11/01/2021 ☐ [Notice](#)

REJECTION OF SERVICE

10/22/2021 ☐ [Summons Issued-Circuit](#)

Document ID: 21-SMCC-13820, for INTEGRON NATIONAL INSURANCE COMPANY.

☐ [Filing Info Sheet eFiling](#)

Filed By: JAMES GERARD NOWOGROCKI

☐ [Pet Filed in Circuit Ct](#)

Petition; Exhibit 1; Exhibit 2.

Filed By: JAMES GERARD NOWOGROCKI

On Behalf Of: NEIGHBORS CREDIT UNION

☐ **Judge Assigned**

**IN THE CIRCUIT COURT OF THE CITY OF ST. LOUIS
 STATE OF MISSOURI**

NEIGHBORS CREDIT UNION,)	
)	
Plaintiff,)	Case No.
)	
vs.)	Division
)	
INTEGRON NATIONAL INSURANCE)	
COMPANY,)	
)	JURY TRIAL DEMANDED
Defendant.)	
)	
Serve: Integron National Insurance Company)	
c/o Missouri Department of Insurance)	
301 West High St., Suite 630)	
Jefferson City, MO 65101)	

PETITION

Comes now Plaintiff Neighbors Credit Union and for its causes of action against Defendant Integron National Insurance Company states as follows:

1. Plaintiff Neighbors Credit Union is a credit union organized and existing under Missouri law with its principal place of business located in St. Louis County, Missouri.

2. Defendant Integron National Insurance Company is a corporation with its principal place of business located in Winston-Salem, North Carolina.

3. Defendant is an insurance company authorized to conduct insurance business in the State of Missouri and can be served with legal process upon the Missouri Department of Insurance.

4. This action pertains to an insurance policy issued by Defendant to Plaintiff providing various insurance coverage pertaining in part to the real property and improvements commonly known as 511 Withers Avenue located in the City of St. Louis, Missouri (the "Property").

5. This Court has jurisdiction over Defendant because it transacts insurance business in Missouri, and this action arises out of Defendant's making and breaching a contract of insurance pertaining to the subject Property located in Missouri.

6. Venue for this action is proper in this Court pursuant to § 508.010 RSMo in that Defendant is not a resident of the State of Missouri and Plaintiff's injuries were incurred in the City of St. Louis, Missouri.

General Allegations

7. Plaintiff became the owner of the Property on or about June 1, 2020 through a foreclosure sale instituted against the previous owner. Plaintiff owned the Property continuously until it was sold on August 4, 2021.

8. The Property consists of a land area of approximately 2.714 acres. At all times referred to herein, the Property contained a large single story, masonry and steel constructed building with a ground floor area of approximately 52,932 square feet plus approximately 700 square feet of office mezzanine space (hereafter collectively referred to as the "main building").

9. At the time of the claims described below, more than half of the main building space was suitable for telecommunications usage, with HVAC and other systems to control the climate of the space for computers and related electronic equipment. The main building contained heavy electric cooling systems, including extensive temperature control equipment and systems.

10. During December, 2020 and January, 2021, the Property and the main building were unoccupied.

11. During December, 2020 and January, 2021, there were four separate incidents in which one or more then unknown individuals entered the Property and main building without

permission or authority. These intruders broke into the main building at one or more different points of entry, such as breaking through or tearing down building doors.

12. Once inside the main building, the intruder(s), in part, broke into and exited various Liebert HVAC (heating, ventilation and air conditioning) systems affixed to and located in and upon the main building, gutted or damage electrical and mechanical components therein and other electrical systems, piping and parts. The Liebert HVAC equipment and system was a highly specialized configuration of equipment known for its precision and high-efficiency used, in part, to provide climate control for computers or other IT devices or products. The intruder(s) also removed copper wiring or piping within or associated with the Libert HVAC systems.

13. The intruder(s) broke into and exited three Dry Coolers affixed to the Property located immediately adjacent to the main building and connected to the building by large pipes. The Dry Coolers were an essential part of the HVAC system to maintain cooler temperatures in the main building. The Dry Coolers and Liebert HVAC systems performed essential functions to maintaining and operating the HVAC system for the main building.

14. The intruder(s) broke into bathroom fixtures in the main building, and damaged several toilets and sinks affixed to the main building; as well as doing extensive damage to pipes, ducts, electrical boxes and components, and other equipment, fixtures and machinery.

15. The intruder(s) also removed various copper piping or copper materials and a refrigerator, including cutting a hole through a wall to remove the refrigerator from the main building.

16. The intruder(s) damaged several main building doors and walls to gain access and exit from the main building.

17. Several photographs illustrating just some of the damage and destruction done in and upon the building are collectively attached as Exhibit 1.

18. At least three separate police incident reports were submitted on behalf of Plaintiff to the St. Louis Metropolitan Police Department regarding the damage and destruction done by the intruder(s).

19. In consideration of insurance premium payments made by Plaintiff to Defendant, at all times in December, 2020 and January, 2021 when the aforesaid four intrusions occurred, Plaintiff was the insured party under a "Blanket Mortgage Security" insurance policy number INM000C149 issued by Defendant that was then in full force and effect (the "Policy"). The Insurance Policy had been procured from and issued by Defendant, and in part provided certain insurance coverage for the "Building" located in and upon the 511 Withers Avenue Property. A true copy of the Blanket Mortgage Security Policy Declarations for coverage under the Policy is attached hereto as Exhibit 2 and incorporated herein by this reference.

20. The Policy provided more than \$2,000,000 of insurance coverage with a \$1,000 deductible for "vandalism and malicious mischief."

21. In Section I of the "General Property Amended Form" portion of the written Policy, captioned "Property Covered," the Policy defined the "Property Covered" by the Policy as follows:

SECTION I – PROPERTY COVERED

The insurance under this Policy covers "Building(s)" in accordance the following description(s) of coverage. This insurance does not cover land. Coverage A – Building(s): Building(s) or structure(s) shall include attached additions and extensions; fixtures, machinery and equipment constituting a permanent part of and pertaining to the service of the building; yard fixtures; personal property of the mortgagor used for the maintenance or service of the described building(s), including fire extinguishing apparatus, outdoor furniture, floor coverings and appliances for refrigerating, ventilating, cooking, dishwashing and laundering (but not

including other personal property in apartments or rooms furnished by the mortgagor as landlord); all while as the described location(s).

22. In Section III of the "General Property Amended Form" portion of the Policy captioned "Perils Insured Against," the Policy provided in part as follows:

This Policy insures against all direct loss caused by:

1. **Fire....**
2. **Lightning....**
3. **Explosion....**

* * * *

8. **Vandalism**, meaning willful and malicious damage to, or destruction of, the described property.
We will not pay for loss or damage caused by or resulting from theft, except for building damage caused by the breaking in or exiting of burglars.

* * * *

COUNT I
(BREACH OF INSURANCE CONTRACT)

Comes now Plaintiff and for Count I of its Petition states as follows:

23. Plaintiff incorporates paragraphs 1 through 22 inclusive above as if fully restated and realleged herein.

24. Plaintiff duly submitted claims for Policy insurance coverage for the damage and destruction to the Property and main building, including the equipment, fixtures and machinery constituting a permanent part of and pertaining to the service of the main building, yard fixtures (and/or appliances for refrigeration and ventilation as referred to in the Policy) as described in paragraphs 12-14 above.

25. Defendant thereafter retained or engaged National General Lender Services to administer the claim on behalf of Defendant.

26. Said National General Lender Services, on behalf of Defendant, thereafter performed an incomplete, sloppy and faulty review and investigation of Plaintiff's claims, including constant delays, inspecting the building by its representative who was unfamiliar with the specialized HVAC fixtures, equipment and systems damaged and destroyed, failing to respond to communications, making multiple requests for information already provided, failing to timely review documentation provided, and misstating or mischaracterizing Plaintiff's claims.

27. Said National General Lender Service, on behalf of Defendant, in several letters dated August 3, 2021 to Plaintiff, denied Plaintiff's claims except for the tender of a check for \$317.21 (after application of \$1,000.00 as a deductible) for damage to a steel door and plywood. Plaintiff has not cashed that check.

28. In its aforesaid claim denial or partial denial letters submitted by National General Lender Service on behalf of Defendant, Defendant based its denials on the perfunctory statements that "theft is not covered by the policy" while disregarding the damage and destruction to the building, including the property set forth in paragraph 24 above.

29. In this action, Plaintiff is not seeking reimbursement for those items of tangible personal property stolen and removed from the Property by the burglars, i.e. copper materials, one small refrigerator, or other items of tangible personal property physically taken off the Property premises.

30. The conduct and actions of the intruder(s) in December, 2020 and January, 2021 as described above constituted "vandalism" covered under the Policy in that the intruder(s) did willful

and malicious damage to or destruction of portions of the insured Property, including the “Building” as defined under the Policy.

31. The Policy provides insurance coverage to the Building and structures, which are expressly defined to include “fixtures, machinery and equipment constituting a permanent part of and pertaining to the service of the building; yard fixtures; personal property of the mortgagor [Plaintiff] used for the maintenance or service of the described building(s), including fire extinguishing apparatus ... floor coverings and appliances for refrigerating, ventilations

32. The Dry Coolers, Lieber HVAC systems, electrical systems, ducts, bathroom fixtures and other tangible property damaged or destroyed by the intruder(s) in December, 2020 and January, 2021 were parts of the “building” as defined in the Policy.

33. Those items identified in paragraphs 12-14 and 16 above were damaged and/or destroyed by the intruders’ acts of vandalism as defined in the policy.

34. Those items identified in paragraphs 12-14 and 16 above were parts of the “Building” as defined in the policy, and were damaged and/or destroyed by the burglar(s) in the course of their breaking in or exiting the “Building.”

35. For example, the intruder(s) damaged or destroyed portions of the “Building” by breaking into and/or exiting the Dry Coolers and Lieber HVAC systems, and in doing so damaged in or destroyed other component parts or systems of the Dry Coolers and Liebert HVAC systems. The intruder(s) destroyed or substantially damaged those items, as well as associated pipes, ducts, and electrical systems.

36. In December, 2020 and January, 2021, and at all other relevant times, Plaintiff met the conditions for coverage under the Policy and the Policy was in full force and effect.

37. Prior to Defendant's aforesaid August 3, 2021 denials of coverage for the overwhelming portion of the damage and loss to the Building, Plaintiff had furnished documentation to Plaintiff that the costs to repair or replace the damage to the Building was in excess of One Million Dollars.

38. Defendant has failed and refused to reimburse Plaintiff for its covered losses under the Policy, and Plaintiff is entitled to receive interest on the total amount of its loss at the rate of nine percent (9%) per annum from and after August 3, 2021.

39. As a result of Defendant's aforesaid breach of the insurance contract, Plaintiff has been damaged by Defendant's failure and refusal to pay for the damage and destruction done to and upon the Building, which failure also diminished the fair market value of the Property and the improvements thereon.

WHEREFORE, Plaintiff Neighbors Credit Union prays for judgment against Defendant Integron National Insurance Company on Count I for an amount that is fair and reasonable due to Defendant's breach of the insurance contract, for interest at the rate of nine percent (9%) per annum from August 3, 2021, for Plaintiff's costs incurred, and for such further relief as the Court deems just and proper in the premises.

COUNT II
(VEXATIOUS REFUSAL)

Comes now Plaintiff and for Count II of its Petition states as follows:

40. Plaintiff incorporates a paragraphs 1-22 and 29-39 above as if fully restated and realleged herein.

41. Plaintiff duly submitted claims for Policy insurance coverage for the damage and destruction to the Property and main building, including the equipment, fixtures and machinery

constituting a permanent part of and pertaining to the service of the main building, as described above.

42. Defendant thereafter retained or engaged National General Lender Services to administer the claim on behalf of Defendant.

43. Said National General Lender Services, on behalf of Defendant, thereafter performed an incomplete, sloppy and faulty review and investigation of Plaintiff's claims, including constant delays, failing to respond to communications, making multiple requests for information already provided, inspecting the building by its representative who was unfamiliar with the specialized HVAC fixtures, equipment and systems damaged and destroyed, failing to timely review documentation provided, and misstating or mischaracterizing Plaintiff's claims.

44. Said National General Lender Service, on behalf of Defendant, in several letters dated August 3, 2021 to Plaintiff, denied Plaintiff's claims except for the tender of a check for \$317.21 (after application of a \$1,000.00 deductible) for damage to a steel door and plywood.

45. In its aforesaid claim denial or partial denial letters submitted by National General Lender Service on behalf of Defendant, Defendant based its denials on the perfunctory statements that "theft is not covered by the policy" while disregarding the damage and destruction to the Property, including the "Building" as defined under the Policy.

46. Defendant's breach of contract in denying virtually all of Plaintiff's claims was without reasonable cause or excuse and was vexacious so as to make Defendant liable to Plaintiff under Missouri vexacious refusal statutes, §§ 375.296 and 375.420 RSMo. Defendant's aforesaid vexacious denial was also evidence by the faulty, defective and inadequate investigation of Plaintiff's claims leading up to the denials of coverage.

47. As a result of Defendant's aforesaid vexatious conduct, Plaintiff is entitled to recover its reasonable attorney's fees and statutory penalties of twenty percent (20%) of the first One Thousand Five Hundred dollars of loss, and ten percent (10%) of the amount of the loss in excess of One Thousand Five Hundred Dollars.

WHEREFORE, Plaintiff Neighbors Credit Union prays for judgment against Defendant Integron National Insurance Company on Count II for an amount that is fair and reasonable due to Defendant's breach of the insurance contract, for statutory penalties, for Plaintiff's reasonable attorneys' fees, for Plaintiff's costs incurred, and for such further relief as the Court deems just and proper in the premises.

Respectfully submitted,

SUMMERS COMPTON WELLS LLC

/s/ James G. Nowogrocki

James G. Nowogrocki #38559

/s/ Stephen C. Hiotis

Stephen C. Hiotis, #30840

903 S. Lindbergh Blvd., Suite 200

St. Louis, Missouri 63131

(314) 991-4999 (Telephone)

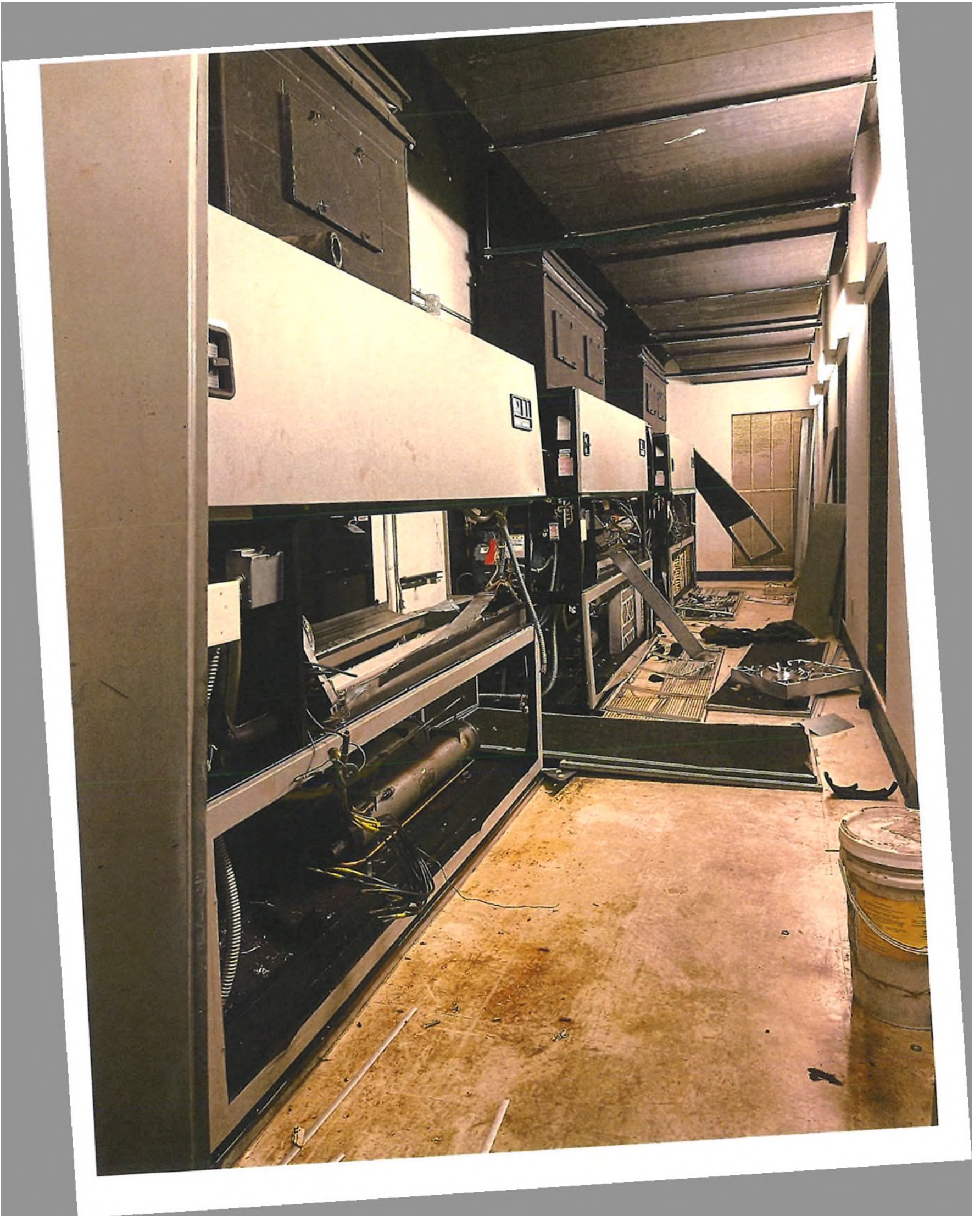
(314) 991-2413 (Facsimile)

jnowogrocki@scw.law

shiotis@scw.law

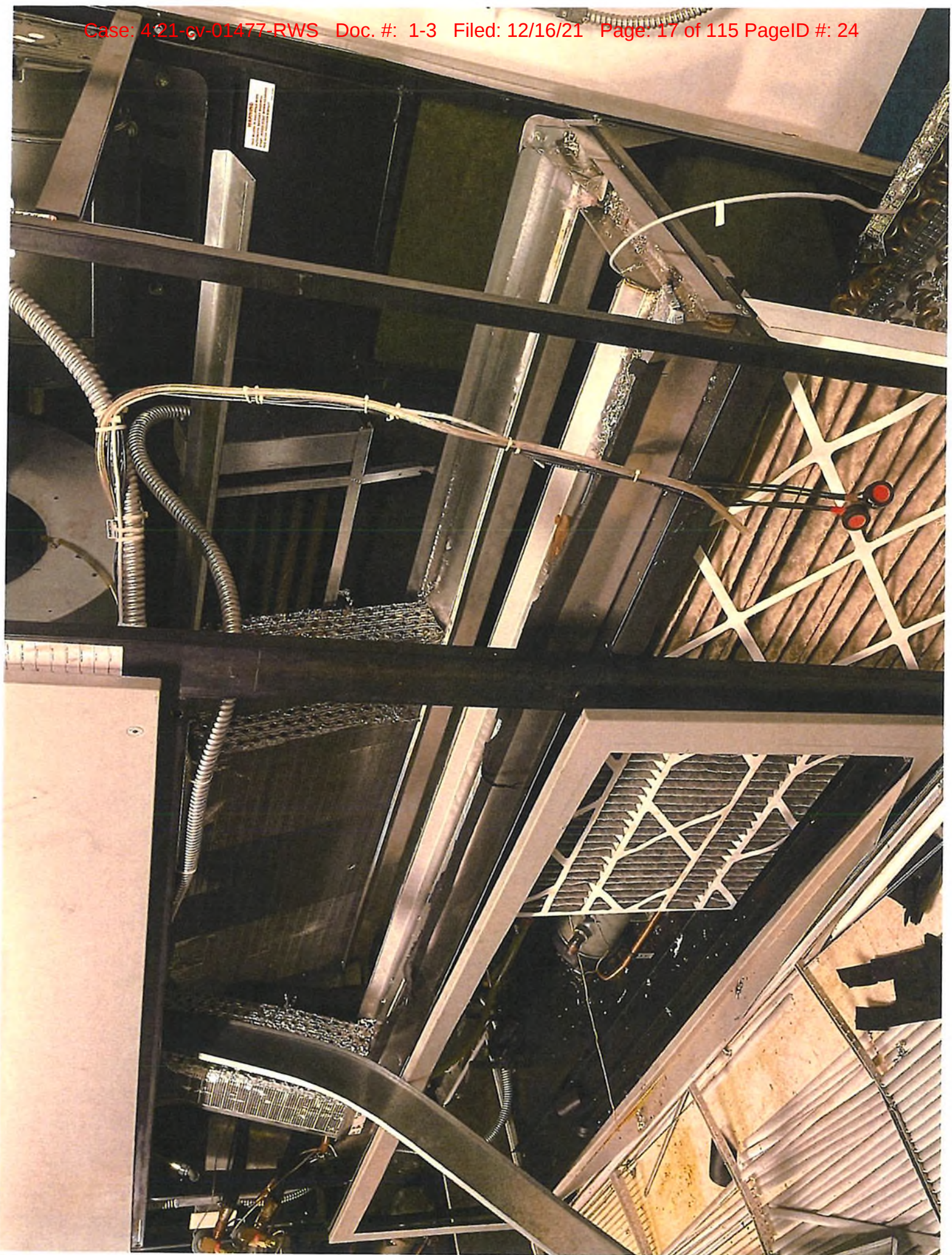
Attorneys for Plaintiff

PLAINTIFF'S EXHIBIT 1









PLAINTIFF'S EXHIBIT 2

Integon National Insurance Company
Winston-Salem, NC

**BLANKET MORTGAGE SECURITY
POLICY DECLARATIONS**

POLICY NUMBER: INM000C149

NAMED INSURED: Neighbors Credit Union
6300 S Lindbergh Blvd
Saint Louis, MO 63123

AGENT: van Wagenen Financial Services
PO BOX 390831
Minneapolis, MN 55439-0831

LENDER NUMBER: 9447

AGENT NUMBER: 991917

POLICY PERIOD: From 5/3/2019 To Continuous Until Cancelled
(12:01 a.m. Standard Time At the Address of The Insured Property)

COVERAGE: All Limits, Deductibles and Rates are shown on the attached Rate Schedule.

COVERAGE

INFORMATION: Property Insured: Coverage applies only to eligible real properties (Buildings) upon Which you have requested we provide coverage, for which you have paid a premium and in which you have an insurable interest as mortgagee or as the servicing agent by written agreement. This insurance does not cover land.

Coverage Provided: All coverages, terms, and conditions for residential property are set forth in this Blanket Mortgage Security Policy and the attached Dwelling Property Amended Form. All coverages, terms and conditions for commercial property are set forth in this Blanket Mortgage Security Policy and the attached General Property Amended Form. All coverages, terms and conditions for Manufactured Homes are set forth in this Blanket Mortgage Security Policy and the attached manufactured Home Amended Form.

Maximum Amount of Insurance: The Maximum Amount of Insurance shall be the lesser of the amount shown on your request for insurance reflected on the monthly reports described in General Provision M. of this policy, or \$ *please refer to the rate schedule for specific values* for residential property and \$ *please refer to the rate schedule for specific values* for commercial property.

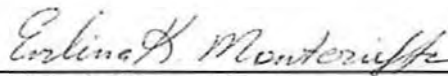
Premium Rate: The premium for each insured property shall be computed by applying the following rate per hundred per year to the Amount of Insurance applicable to each insured property.

TAXES AND FEES: N/A

ENDORSEMENTS: MSP 98 01 02 13 / MSP 00 01 02 13 / MSP 00 03 02 13 / MSP 00 04 02 13 /
MSP 03 02 02 13 / MSP 99 04 02 13 / MSP 04 01 02 13 / MSP 04 03 02 13 / MSP 04 04 02 13 /
MSP 17 02 02 13 / IL 00 17 / IL 09 53 / MSP 09 01 02 13

Date Countersigned: 7/1/2019

Agent


Authorized Representative

MORTGAGE SECURITY RATE SCHEDULE

LENDER PLACED RESIDENTIAL AND COMMERCIAL OCCUPIED/VACANT REO RESIDENTIAL AND COMMERCIAL OCCUPIED/VACANT

DWELLING/BUILDING:

<u>Company Limit</u>	<u>Deductible</u>	<u>Rate</u>
\$5,000,000	See below	See below

DEDUCTIBLE:

Residential Property	\$100 / \$500 VMM per occurrence all perils except Wind & Hail
Commercial Property	\$500 / \$1,000 VMM per occurrence all perils except Wind & Hail
Wind & Hail	A deductible of \$2,500 or 2% of the insured value shall apply.

RATES: All states EXCEPT; CA, FL, IN, LA, MN, MS, NY, OK, SC, TX, WA

Mortgage Fire:	\$1.00 per \$100 Residential Occupied or Vacant
	\$1.50 per \$100 Commercial Occupied or Vacant
	\$0.35 per \$100 Personal Contents
	\$1.40 per \$100 Commercial Contents

EXCEPTION STATE RATES:

CA Mortgage Fire:	\$0.55 per \$100 Residential Occupied or Vacant
	\$0.90 per \$100 Commercial Occupied or Vacant
	\$0.25 per \$100 Personal Contents
	\$1.05 per \$100 Commercial Contents
FL Terr 50 Mortgage Fire:	\$0.67 per \$100 Residential Occupied or Vacant
	\$1.01 per \$100 Mobile Homes Occupied or Vacant
	\$0.35 per \$100 Personal Contents
	\$1.01 per \$100 Commercial Occupied
	\$2.01 per \$100 Commercial Vacant
	\$1.40 per \$100 Commercial Contents
FL Terr 51 Mortgage Fire:	\$1.07 per \$100 Residential Occupied or Vacant
	\$1.61 per \$100 Mobile Homes Occupied or Vacant
	\$0.35 per \$100 Personal Contents
	\$1.61 per \$100 Commercial Occupied
	\$3.21 per \$100 Commercial Vacant
	\$1.40 per \$100 Commercial Contents

FL Terr 52 Mortgage Fire:	\$0.77 per \$100 Residential Occupied or Vacant \$1.16 per \$100 Mobile Homes Occupied or Vacant \$0.35 per \$100 Personal Contents \$1.16 per \$100 Commercial Occupied \$2.31 per \$100 Commercial Vacant \$1.40 per \$100 Commercial Contents
FL Terr 53 Mortgage Fire:	\$0.90 per \$100 Residential Occupied or Vacant \$1.35 per \$100 Mobile Homes Occupied or Vacant \$0.35 per \$100 Personal Contents \$1.35 per \$100 Commercial Occupied \$2.70 per \$100 Commercial Vacant \$1.40 per \$100 Commercial Contents
FL Terr 54 Mortgage Fire:	\$1.32 per \$100 Residential Occupied or Vacant \$1.98 per \$100 Mobile Homes Occupied or Vacant \$0.35 per \$100 Personal Contents \$1.98 per \$100 Commercial Occupied \$3.96 per \$100 Commercial Vacant \$1.40 per \$100 Commercial Contents
FL Terr 55 Mortgage Fire:	\$2.60 per \$100 Residential Occupied or Vacant \$3.90 per \$100 Mobile Homes Occupied or Vacant \$0.35 per \$100 Personal Contents \$3.90 per \$100 Commercial Occupied \$7.80 per \$100 Commercial Vacant \$1.40 per \$100 Commercial Contents
IN Mortgage Fire:	\$0.88 per \$100 Residential Occupied or Vacant \$1.32 per \$100 Commercial Occupied or Vacant \$0.35 per \$100 Personal Contents \$1.40 per \$100 Commercial Contents
LA Mortgage Fire:	\$1.00 per \$100 Residential Occupied or Vacant \$1.50 per \$100 Commercial Occupied or Vacant \$0.35 per \$100 Personal Contents \$1.40 per \$100 Commercial Contents
LA Terr 52 Mortgage Fire:	\$2.00 per \$100 Residential Occupied or Vacant \$3.00 per \$100 Commercial Occupied or Vacant \$0.35 per \$100 Personal Contents \$1.40 per \$100 Commercial Contents
MN Mortgage Fire:	\$0.57 per \$100 Residential Occupied or Vacant \$0.86 per \$100 Commercial Occupied or Vacant \$0.35 per \$100 Personal Contents \$1.40 per \$100 Commercial Contents
MS Mortgage Fire:	\$1.00 per \$100 Residential Occupied or Vacant \$1.50 per \$100 Commercial Occupied or Vacant \$0.35 per \$100 Personal Contents \$1.40 per \$100 Commercial Contents

MS Terr 52 Mortgage Fire: \$1.36 per \$100 Residential Occupied or Vacant
 \$2.04 per \$100 Commercial Occupied or Vacant
 \$0.35 per \$100 Personal Contents
 \$1.40 per \$100 Commercial Contents

NY Mortgage Fire: REO \$0.91 per \$100 Residential Occupied or Vacant
 Lender Placed \$0.72 per \$100 Residential Occupied or Vacant
 \$1.55 per \$100 Commercial Occupied or Vacant
 \$0.35 per \$100 Personal Contents
 \$1.40 per \$100 Commercial Contents

OK Mortgage Fire: \$1.36 per \$100 Residential Occupied or Vacant
 \$1.50 per \$100 Commercial Occupied or Vacant
 \$0.35 per \$100 Personal Contents
 \$1.40 per \$100 Commercial Contents

SC Mortgage Fire: \$1.00 per \$100 Residential Occupied or Vacant
 \$1.50 per \$100 Commercial Occupied or Vacant
 \$0.35 per \$100 Personal Contents
 \$1.40 per \$100 Commercial Contents

SC Terr 52 Mortgage Fire: \$1.15 per \$100 Residential Occupied or Vacant
 \$1.73 per \$100 Commercial Occupied or Vacant
 \$0.35 per \$100 Personal Contents
 \$1.40 per \$100 Commercial Contents

TX Mortgage Fire: \$1.10 per \$100 Residential Occupied or Vacant
 \$1.65 per \$100 Commercial Occupied or Vacant
 \$0.39 per \$100 Personal Contents
 \$1.55 per \$100 Commercial Contents

TX Terr 52 Mortgage Fire: \$2.23 per \$100 Residential Occupied or Vacant
 \$3.35 per \$100 Commercial Occupied or Vacant
 \$0.39 per \$100 Personal Contents
 \$1.55 per \$100 Commercial Contents

WA Mortgage Fire: \$1.10 per \$100 Residential Occupied or Vacant
 \$1.64 per \$100 Commercial Occupied
 \$3.29 per \$100 Commercial Vacant
 \$0.38 per \$100 Personal Contents
 \$1.53 per \$100 Commercial Contents

GSE RATES:

Residential Only: 15% Rate credit for coverage less than \$100,000
 17% Rate credit for coverage greater than \$100,000 up to and including \$250,000
 17.5% Rate credit for coverage greater than \$250,000

GSE DEDUCTIBLE:

Residential Only: \$1,000 per occurrence for coverage less than \$100,000
 \$2,000 per occurrence for coverage more than \$100,000 up to and including \$250,000
 \$2,500 per occurrence for coverage greater than \$250,000

MINE SUBSIDENCE ENDORSEMENT

OHIO MINE SUBSIDENCE

LIMIT: Equal to the amount of Insurance carried on the Dwelling subject to a maximum limit of \$300,000.00. No coverage for Land, Trees, Plants Crops, Contents, Barns, and Commercial and Industrial Buildings.

RATES: \$1.00 per Year - Mandatory in the following Counties: Athens, Belmont, Carroll, Columbiana, Coshocton, Gallia, Guernsey, Harrison, Hocking, Holmes, Jackson, Jefferson, Lawrence, Mahoning, Meigs, Monroe, Morgan, Muskingum, Nobel, Perry, Scioto, Stark, Trumbull, Tuscarawas, Vinton and Washington

\$5.00 per Year - Optional in the following Counties: Delaware, Erie, Geauga, Lake, Licking, Medina, Ottawa, Portage, Preble, Summit and Wayne.

DEDUCTIBLE: 2% of the Dwelling Limit, Minimum of \$250 and Maximum of \$500

ALL OTHER TERMS AND CONDITIONS OF THE POLICY REMAIN UNCHANGED.

KENTUCKY MINE SUBSIDENCE

LIMIT: Equal to the amount of Insurance carried on the Structure subject to a maximum limit if \$300,000.00. Mobile Homes are NOT considered Structures. No coverage for Land, Trees, Plants or Crops.

MANDATORY COUNTIES:

Bell	Boyd	Breathitt	Butler	Carter	Christian
Clay	Daviess	Edmonson	Elliott	Floyd	Greenup
Hancock	Harlan	Henderson	Hopkins	Jackson	Johnson
Knott	Knox	Laurel	Lawrence	Lee	Leslie
Letcher	McCreary	McLean	Martin	Morgan	Muhlenberg
Ohio	Owsley	Perry	Union	Webster	Whitney
					Wolfe

RATES:

THE FOLLOWING RATES APPLY:

COMMONWEALTH OF KENTUCKY COAL MINE SUBSIDENCE RATES			
Mine Subsidence	Premium		
	Residential		Commercial
Up to \$50,000		\$10.00	\$15.00
\$50,001 to \$60,000		\$12.00	\$17.00
\$60,001 to \$70,000		\$14.00	\$19.00
\$70,001 to \$80,000		\$16.00	\$21.00
\$80,001 to \$90,000		\$18.00	\$23.00
\$90,001 to \$100,000		\$20.00	\$25.00
\$100,001 to \$110,000		\$22.00	\$27.00
\$110,001 to \$120,000		\$24.00	\$29.00
\$120,001 to \$130,000		\$26.00	\$31.00
\$130,001 to \$140,000		\$28.00	\$33.00
\$140,001 to \$150,000		\$30.00	\$35.00
\$150,001 to \$160,000		\$32.00	\$37.00
\$160,001 to \$170,000		\$34.00	\$39.00
\$170,001 to \$180,000		\$36.00	\$41.00
\$180,001 to \$190,000		\$38.00	\$43.00
\$190,001 to \$200,000		\$40.00	\$45.00
\$200,001 to \$210,000		\$42.00	\$47.00
\$210,001 to \$220,000		\$44.00	\$49.00
\$220,001 to \$230,000		\$46.00	\$51.00
\$230,001 to \$240,000		\$48.00	\$53.00
\$240,001 to \$250,000		\$50.00	\$55.00
\$250,001 to \$260,000		\$52.00	\$57.00
\$260,001 to \$270,000		\$54.00	\$59.00
\$270,001 to \$280,000		\$56.00	\$61.00
\$280,001 to \$290,000		\$58.00	\$63.00
\$290,001 to \$300,000		\$60.00	\$65.00

DEDUCTIBLE: 2% of the Dwelling Limit, Minimum of \$250 and Maximum of \$500

ALL OTHER TERMS AND CONDITIONS OF THE POLICY REMAIN UNCHANGED.

WEST VIRGINIA MINE SUBSIDENCE

LIMIT: Equal to the amount of Insurance carried on the Structure not to exceed \$200,000. Unanchored Mobile Homes are NOT considered Structures. No coverage for Land, Trees, Plants or Crops. No Personal effects coverage.

MANDATORY COUNTIES:

Berkeley	Cabell	Calhoun	Hampshire	Hardy	Jackson
Jefferson	Monroe	Morgan	Pendleton	Pleasant	Ritchie
Roane	Wirt	Wood			

RATES

Amount of Coal Mine Subsidence on the Structure	Premium Dwelling Structure	Premium Non Dwelling Structure
\$10,000 or less	\$10.00	\$20.00
\$10,001 to \$15,000	\$11.00	\$22.00
\$15,001 to \$20,000	\$12.00	\$24.00
\$20,001 to \$25,000	\$13.00	\$26.00
\$25,001 to \$30,000	\$14.00	\$28.00
\$30,001 to \$35,000	\$15.00	\$30.00
\$35,001 to \$40,000	\$16.00	\$32.00
\$40,001 to \$45,000	\$17.00	\$34.00
\$45,001 to \$50,000	\$18.00	\$36.00
\$50,001 to \$55,000	\$19.00	\$38.00
\$55,001 to \$60,000	\$20.00	\$40.00
\$60,001 to \$65,000	\$21.00	\$42.00
\$65,001 to \$70,000	\$22.00	\$44.00
\$70,001 to \$75,000	\$23.00	\$46.00
\$75,001 to \$80,000	\$24.00	\$48.00
\$80,001 to \$85,000	\$25.00	\$50.00
\$85,001 to \$90,000	\$26.00	\$52.00
\$90,001 to \$95,000	\$27.00	\$54.00
\$95,001 to \$100,000	\$28.00	\$56.00
\$100,001 to \$105,000	\$29.00	\$58.00
\$105,001 to \$110,000	\$31.00	\$60.00
\$110,001 to \$115,000	\$32.00	\$62.00
\$115,001 to \$120,000	\$33.00	\$64.00
\$120,001 to \$125,000	\$34.00	\$66.00
\$125,001 to \$130,000	\$35.00	\$68.00
\$130,001 to \$135,000	\$36.00	\$70.00
\$135,001 to \$140,000	\$37.00	\$72.00
\$140,001 to \$145,000	\$38.00	\$74.00
\$145,001 to \$150,000	\$39.00	\$76.00
\$150,001 to \$155,000	\$40.00	\$78.00
\$155,001 to \$160,000	\$41.00	\$80.00
\$160,001 to \$165,000	\$42.00	\$82.00
\$165,001 to \$170,000	\$43.00	\$84.00
\$170,001 to \$175,000	\$44.00	\$86.00
\$175,001 to \$180,000	\$45.00	\$88.00
\$180,001 to \$185,000	\$46.00	\$90.00
\$185,001 to \$190,000	\$47.00	\$92.00
\$190,001 to \$195,000	\$48.00	\$94.00
\$195,001 to \$200,000	\$49.00	\$96.00

DEDUCTIBLE: 2% of the Dwelling Limit, Minimum of \$250 and Maximum of \$500

ALL OTHER TERMS AND CONDITIONS OF THE POLICY REMAIN UNCHANGED.

MORTGAGE SECURITY POLICY

INSURING AGREEMENT

We will provide the insurance described in this Policy in return for the premium and compliance with all applicable provisions of this Policy. Coverage shall apply to all residential and commercial property for which a specific request for coverage is received from you in accordance with procedures herein defined.

DEFINITIONS

Throughout this Policy:

- A. "You" and "your" refer to the financial institution shown in item 1. of the Policy Declarations as the Named Insured Mortgagee.
- B. "We", "us" and "our" refer to the Company providing this insurance.
- C. "Policy" shall include the Blanket Mortgage Security Policy and all coverage forms and endorsements attached.

GENERAL PROVISIONS

- A. **Term:** Coverage shall apply to each insured property from the effective date requested by you upon payment of premium. If the property afforded insurance by this Policy is also covered by other insurance terminating at noon on the inception date of our coverage, insurance under this Policy shall not become effective until such other insurance has terminated.
- B. **Property Insured:** Coverage applies only to eligible properties upon which you have requested we provide coverage, for which you have paid a premium and in which you have an insurable interest as mortgagee, or as the servicing agent by written agreement.
 - 1. Residential – Buildings used exclusively for personal family housing purposes for 1 to 4 families.
 - 2. Commercial – Buildings used for multi-family housing purposes for 5 or more families, and all other occupancies.
 - 3. Personal Property – Residential and Business Personal Property are eligible for

coverage if a limit and premium are shown in the Declarations page.

- C. **Coverage Provided:** This Policy insures against direct physical loss or damage to insured property. All coverages, terms and conditions for residential property are as set forth in this Mortgage Security Policy and the attached Dwelling Property Amended Form. All coverages, terms and conditions for commercial property are as set forth in this Mortgage Security Policy and the attached General Property Amended Form.
- D. **Limits of Recovery:** Our liability shall not exceed the least of the following after application of the deductible stated in this Policy:
 - 1. The amount stated on the policy declarations for each location of mortgaged residential, mortgaged commercial property insured by this policy.
 - 2. The amount of insurance specifically requested in your application for coverage under this Policy.
 - 3. The settlement options stated in Dwelling Property amended Form applicable to residential property and General Property Amended Form applicable to commercial property attached to this Policy.
- E. **Deductible:** For each loss covered under this Policy, we shall be liable for loss only in excess of the appropriate deductible specified on the Declarations page which shall not be recoverable under this Policy.
- F. **Other Insurance:** THIS INSURANCE IS EXCESS INSURANCE. If there is any other valid and collectible insurance which would attach if the insurance provided under this Policy had not been effected, this insurance shall apply only as excess insurance and in no event as contributing insurance, and then only after all other insurance has been exhausted.
- G. **Loss Payable:** Loss, if any, shall be made payable to you as your interest appears.
- H. **Salvage and Recoveries:** When, in connection with any loss covered by this Policy, any salvage

or recovery is received subsequent to the payment of such loss, the loss shall be refigured on the basis on which it would have been settled had the amount of salvage or recovery been known at the time the amount of loss was originally determined. Any amounts thus found to be due any party shall be promptly paid.

I. **Inspection and Audit:** We shall be permitted at all reasonable times to inspect the insured property and to examine you and/or the mortgagor's books and records at any time during the currency of this Policy. Within one year after final settlement of any claim we shall be permitted at all reasonable times to examine you and/or the mortgagor's books and records so far as the books and records relate to any payments made because of losses happening during the term of this Policy. We waive no rights and undertake no responsibility by reason of such inspection or examination or the omission thereof. We shall also be permitted at all reasonable times to audit your records to verify the number of existing loans for which renewal policies have not been received.

J. **Reinstatement:** A loss to the property reduces the Limits of Recovery by the amount of the loss. Upon repair or replacement of the property, the Limits of Recovery will return to their original amount.

K. **Request for Coverage:** When you desire coverage on any real property in which you have an insurable interest, you will request insurance by providing us with the following information: loan number, name and address of mortgagor, address of property to be insured, class of property, effective date and amount of insurance requested. Coverage shall automatically become effective upon receipt of request for coverage and payment of premium and shall remain in force until terminated by either you or us.

L. **Cancellation and Nonrenewal:**

1. You may cancel coverage on any individual location by notifying us of the desired effective date of cancellation not prior to the effective date of mortgagor provided insurance which meets the requirements of your loan agreement, but no more than 120 days prior to the date of notification to us, without approval of the company.

2. You may cancel this policy at any time by returning it to us or by notifying us in writing of the date cancellation is to take effect, but no more than 120 days prior to the date of notification to us, without the approval of the company.

3. We may cancel this Policy or coverage on any individual location by giving you at least 30 days advance written notice of the date cancellation is to take effect, with the exception of cancellation for nonpayment of premium which shall be a minimum of 10 days advance written notice.

4. Cancellation shall be processed immediately and any return premiums shall be reflected in the next monthly report and premium billing. The return premium will be pro-rata.

5. Cancellation of this policy by either you or us will not affect coverage on any individual location insured under this policy. Coverage on individual locations shall remain in force until expiration unless sooner cancelled.

6. We may elect not to renew this Policy. We may do so by delivery to you or mailing to you at your mailing address shown in the Declarations, written notice at least 30 days before the expiration date of this Policy. Proof of mailing shall be sufficient proof of notice. Our failure to send such a notice within the time prescribed obligates us to renew coverages if you pay the premium before the expiration date.

M. **Reports and Premium Billings:** Within 10 days of the last day of each month, you will provide a complete listing of all properties upon which coverage is provided showing loan number, name and address of mortgagor, address of insured property, class of property, coverage effective date, amount of insurance requested, cancellation date (if applicable). If you are required to calculate premium, payment of total net premium is due and payable with this report.

N. **Concealment and Fraud:** This entire Policy is void if you or the mortgagor has intentionally concealed or misrepresented any material fact or circumstance relating to any aspect of this insurance or acted fraudulently or made false statements relating to any aspect of this insurance, whether before or after a loss. Such acts or act by the mortgagor will bar recovery by any person except as provided in this Policy with respect to your interest.

O. You and the Mortgagor's Duties After Loss:

In case of a loss to which this insurance may apply, you and the mortgagor shall see that the following duties are performed:

1. give us immediate written notice;
2. protect the property from further damage, making necessary and reasonable repairs to protect the property, and keep an accurate record of repair expenditures. If you or the mortgagor fail to do so, we will not pay for any further damage. We will not reimburse for the costs of repairs unless records and receipts are provided;
3. make a list of all damaged or destroyed property showing in detail quantities, costs, actual cash value, amount of loss claimed and any other information we may require. Attach all bills, receipts and related documents that substantiate the figures in the list;
4. send to us within 60 days after loss the above list and a proof of loss signed and sworn to by you and the mortgagor, including:
 - 1) the time and cause of loss;
 - 2) the interest of you, the mortgagor and all others in the property;
 - 3) all encumbrances on the property;
 - 4) other insurance which may cover the loss;
 - 5) changes in title, use occupancy or possession of the property; and
 - 6) if required, any plans and specifications of the damaged buildings.
5. exhibit the damaged property to us or our representative as often as may be required;
6. as often as we may require, submit to examinations under oath by any person named by us and sign the transcript of the examinations;
7. produce for examination, with permission to copy, all records and documents that we may require;
8. in the event of a loss by theft, vandalism or malicious mischief, report the occurrence to the police immediately.

P. Loss Settlement: Covered Property Losses are settled as follows:

1. Residential
 - a) Other Structures that are not buildings at actual cash value at the time of loss

but not exceeding the amount necessary to repair or replace;

- b) Roofs (except for fire peril), carpeting, domestic appliances, awnings, outdoor equipment, whether or not attached to buildings, and outdoor antennas, at actual cash value at the time of loss but not exceeding the amount necessary to repair or replace;

c) Buildings under Coverage A or B:

- 1) at repair or replacement cost without deduction for depreciation, but not exceeding the smaller of the following amounts:

- a. the repair or replacement cost of that part of the building damaged using commonly used building materials to place the property in a habitable condition for use on the same premises; or
- b. the amount actually and necessarily spent to repair or replace the damaged building.

- 2) If you decide not to repair or replace the damaged property, at our option, we may make settlement on an actual cash value basis. You may make claim within 180 days after the loss for any additional payment on a repair or replacement cost basis.

2. Commercial

- a) All property except Tenant's Improvements and Betterments at actual cash value except as provided below or by endorsement.

b) Tenant's Improvements and Betterments:

- (1) If repaired or replaced at the expense of you or the mortgagor within a reasonable time after loss, the actual cash value of the damaged or destroyed improvements and betterments limit.
- (2) If not repaired or replaced at the expense of you or the mortgagor within a reasonable time after loss, that proportion of the original cost at the time of installation of the damaged or destroyed property which the unexpired term of the lease or rental agreement, whether written or oral, in effect at the time of

loss bears to the periods from the date such improvements or betterments were made to the expiration of the lease.

Q. Loss to a Pair, Set, Series of Objects or Interior or Exterior Panels: In case of loss to a pair or set we may elect to:

1. Repair or replace any part to restore the pair or set to its value before the loss; or
2. Pay the difference between actual cash value of the property before and after the loss.

We cannot guarantee the availability of parts or of replacements. We will not be obligated to repair or replace the entire pair, set or series of objects, piece or panel when a part is lost or damaged.

R. Glass Replacement: Covered loss to glass shall be settled on the basis of replacement with safety glazing materials when required by ordinance or law.

S. Appraisal: If you and we fail to agree on the amount of loss, either may demand an appraisal of the loss. In this event, each party will choose a competent and impartial appraiser within 20 days after receiving a written request from the other. The two appraisers will choose an umpire. If they cannot agree upon an umpire within 15 days, you or we may request that the choice be made by a judge of a court of record in the state where the Described Location is located. The appraisers will separately set the amount of loss. If the appraisers submit a written report of an agreement to us, the amount agreed upon will be the amount of loss. If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will set the amount of loss.

Each party will:

1. Pay its own appraiser; and
2. Bear the other expenses of the appraisal and umpire equally.

T. Subrogation. You or the mortgagor may waive in writing before a loss all rights of recovery against any person. If not waived, we may require an assignment of rights of recovery for a loss to the extent that payment is made by us. If an assignment is sought, you and the mortgagor shall sign and deliver all related papers and cooperate with us in any reasonable manner.

U. Suit Against Us. No action can be brought against us unless there has been full compliance with all of the terms under this policy and the action is started within two years after the date of loss.

V. Abandonment of Property: We need not accept any property abandoned by you or the mortgagor.

W. No Benefit to Bailee: We will not recognize any assignment or grant any coverage that benefits a person or organization holding, storing or moving property for a fee regardless of any other provision of this policy.

X. Liberalization Clause: If we adopt any revision which would broaden the coverage under this Policy without additional premium within 60 days prior to or during the Policy period, the broadened coverage will immediately apply to this Policy.

Y. Waiver or Change of Policy Provisions: A waiver or change of any provision of this Policy must be in writing by us to be valid.

Z. Assignment: Assignment of this Policy shall not be valid unless we give our written consent.

AA. Your Interest:

1. Your interest will not be impaired by any act or neglect of the mortgagor, provided you:
 - a) notify us of any change in occupancy, ownership, or substantial change in risk as soon as you become aware of such change; and
 - b) pay any premium when due under this Policy.
2. If we pay you for any loss and do not pay the mortgagor,
 - a) we are subrogated to all of your rights granted under the mortgage on the property and may require a partial assignment of the mortgage to the extent of payment made; or
 - b) at our option, we may pay you the whole principal on the mortgage plus any accrued interest. In this event, we will receive a full assignment and transfer of the mortgage and all securities held as collateral to the debt.

Subrogation will not impair your right to recover the full amount of your claim.

BB. Nuclear Hazard Clause:

1. "Nuclear Hazard" means any nuclear reaction, radiation or radioactive contamination, all whether controlled or uncontrolled or however caused, or any consequence of any of these.
2. Loss caused by the nuclear hazard shall not be considered loss caused by fire, explosion or smoke, whether these perils are specifically named in or otherwise included within the Perils Insured Against.
3. This Policy does not apply to loss caused directly or indirectly by nuclear hazard, except that direct loss by fire resulting from the nuclear hazard is covered.

CC. Our Option: We may at our option replace the property with property of similar kind, quality and value. If as the result of your loss we pay in cash or by replacement an amount equal to the actual cash value of the property before the loss, at our option, we have the right to take legal title to the property.

DWELLING PROPERTY 3A AMENDED FORM**AGREEMENT**

We will provide the insurance described in this Policy in return for the premium and compliance with all applicable provisions of this Policy.

DEFINITIONS

1. Throughout this Policy, "you" and "your" refer to the Named Insured Mortgagee shown in the Declarations. "We" "us" and "our" refer to the Company providing this insurance.
2. "Dwelling" means any building used exclusively for personal family housing purposes for 1 to 4 families.

COVERAGES

This insurance applies to the requested location. This insurance does not cover land.

A. COVERAGE A – DWELLING

We cover:

1. the dwelling on the requested location, used principally for dwelling purposes;
2. structures attached to the dwelling;
3. materials and supplies on or adjacent to the requested location for use in the construction, alteration or repair of the dwelling or Other Structures on this location; and
4. building equipment and outdoor equipment used for the service of and located on the requested location.

B. COVERAGE B – OTHER STRUCTURES

We cover Other Structures on the requested location, separated from the dwelling by clear space. Structures connected to the dwelling by only a fence, utility line or similar connection are considered to be Other Structures. You may use up to 10% of the Coverage A Limit of Recovery for loss by a Peril Insured Against to Other Structures described in this Coverage B. Payment under this coverage reduces the Coverage A Limit of Recovery.

We do not cover structures:

1. used in whole or in part for commercial, manufacturing or farming purposes; or
2. rented to or held for rental for any person not a tenant of the dwelling, unless used solely as a private garage; or
3. such as fences, satellite dishes, antennas, or radio and television towers separated from the dwelling.

C. OTHER COVERAGES

1. **Debris Removal** - We will pay the reasonable expenses incurred for the removal of debris from a property loss covered by this Policy. Payment under this coverage reduces the Limit of Recovery applying to the damaged property.

2. Reasonable Repairs

- a. In the event that covered property is damaged by a Peril Insured Against, we will pay the reasonable cost incurred by you for necessary measures taken solely to protect against further damage.
- b. If the measures taken involve repair to other damaged property, we will pay for those measures only if that property is covered under this policy and the damage to that property is caused by a Peril Insured Against. This coverage does not:
 - (1) Increase the limit of liability that applies to the covered property; or
 - (2) Relieve you of your duties, in case of a loss to covered property, as set forth in Condition Your and the Mortgagor's Duties After Loss.

3. Collapse

- a. With respect to this Other Coverage:
 - (1) Collapse means an abrupt falling down or caving in of a building or any part of a building with the result that the building or part of the building cannot be occupied for its current intended purpose.

- (2) A building or any part of a building that is in danger of falling down or caving in is not considered to be in a state of collapse.
 - (3) A part of a building that is standing is not considered to be in a state of collapse even if it has separated from another part of the building.
 - (4) A building or any part of a building that is standing is not considered to be in a state of collapse even if it shows evidence of cracking, bulging, sagging, bending, leaning, settling, shrinkage or expansion.
- b. We insure for direct physical loss to covered property involving collapse of a building or any part of a building if the collapse was caused by one or more of the following:
- (1) The Perils Insured Against;
 - (2) Decay that is hidden from view, unless the presence of such decay is known to you prior to collapse;
 - (3) Insect or vermin damage that is hidden from view, unless the presence of such damage is known to you prior to collapse;
 - (4) Weight of contents, equipment, animals or people;
 - (5) Weight of rain which collects on a roof; or
 - (6) Use of defective material or methods in construction, remodeling or renovation if the collapse occurs during the course of the construction, remodeling or renovation.
- c. Loss to an awning, fence, patio, deck, pavement, swimming pool, underground pipe, flue, drain, cesspool, septic tank, foundation, retaining wall, bulkhead, pier, wharf or dock is not included under b.(2) through (6) above unless the loss is a direct result of the collapse of a building or any part of a building.
- d. This coverage does not increase the limit of liability that applies to the damaged covered property.
- 4. Ordinance Or Law**
- a. The Ordinance Or Law limit of liability determined in b. or c. below will apply

with respect to the increased costs you incur due to the enforcement of any ordinance or law which requires or regulates:

- (1) The construction, demolition, remodeling, renovation or repair of that part of a covered building or other structure damaged by a Peril Insured Against;
 - (2) The demolition and reconstruction of the undamaged part of a covered building or other structure, when that building or other structure must be totally demolished because of damage by a Peril Insured Against to another part of that covered building or other structure; or
 - (3) The remodeling, removal or replacement of the portion of the undamaged part of a covered building or other structure necessary to complete the remodeling, repair or replacement of that part of the covered building or other structure damaged by a Peril Insured Against.
- b. If you are an owner of a Described Location, and that location:
- (1) Is insured for Coverage A or Unit-Owners Building Items, you may use up to 10% of the limit of liability that applies to Coverage A or Unit-Owners Building Items at each Described Location; or
 - (2) Is not insured for Coverage A or Unit-Owners Building Items, you may use up to 10% of the total limit of liability that applies to Coverage B at each Described Location.
- c. If you are a tenant of a Described Location, you may use up to 10% of the limit of liability that applies to Improvements, Alterations And Additions at each Described Location. Also, the words "covered building" used throughout this Other Coverage 12. Ordinance Or Law, refer to property at such a Described Location covered under Other Coverage 3. Improvements, Alterations And Additions.
- d. You may use all or part of this ordinance or law coverage to pay for the increased costs you incur to remove debris resulting from the construction, demolition, remodeling, renovation,

repair or replacement of property as stated in a. above.

e. We do not cover:

- (1) The loss in value to any covered building or other structure due to the requirements of any ordinance or law; or
- (2) The costs to comply with any ordinance or law which requires you or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, pollutants in or on any covered building or other structure.

Pollutants means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.

This coverage is additional insurance.

PERILS INSURED AGAINST

COVERAGE A – DWELLING AND COVERAGE B – OTHER STRUCTURES

A. Coverage A – Dwelling And Coverage B – Other Structures

1. We insure against risk of direct physical loss to property described in Coverages A and B.
2. We do not insure, however, for loss:
 - a. Excluded under General Exclusions;
 - b. Involving collapse, except as provided in Other Coverage 3. Collapse; or
 - c. Caused by:
 - (1) Freezing of a plumbing, heating, air conditioning or automatic fire protective sprinkler system or of a household appliance, or by discharge, leakage or overflow from within the system or appliance caused by freezing. This provision does not apply if you have used reasonable care to:
 - (a) Maintain heat in the building; or

- (b) Shut off the water supply and drain all systems and appliances of water;

However, if the building is protected by an automatic fire protective sprinkler system, you must use reasonable care to continue the water supply and maintain heat in the building for coverage to apply.

For purposes of this provision a plumbing system or household appliance does not include a sump, sump pump or related equipment or a roof drain, gutter, downspout or similar fixtures or equipment.

- (2) Freezing, thawing, pressure or weight of water or ice, whether driven by wind or not, to a:
 - (a) Fence, pavement, patio or swimming pool;
 - (b) Footing, foundation, bulkhead, wall, or any other structure or device, that supports all or part of a building or other structure;
 - (c) Retaining wall or bulkhead that does not support all or part of a building or other structure; or
 - (d) Pier, wharf or dock;
- (3) Theft of property not part of a covered building or structure;
- (4) Theft in or to a dwelling or structure under construction;
- (5) Wind, hail, ice, snow or sleet to:
 - (a) Outdoor radio and television antennas and aerials including their lead-in wiring, masts or towers; or
 - (b) Trees, shrubs, plants or lawns;
- (6) constant or repeated seepage or leakage of water or steam over a period of weeks, months, or years from within a plumbing, heating, air conditioning or automatic fire protective sprinkler system or from within a household appliance.

For purposes of this provision, a plumbing system or household appliance does not include a sump, sump pump or related equipment or a roof drain, gutter, downspout or similar fixtures or equipment;

(7) Any of the following:

- (a) Wear and tear, marring, deterioration;
- (b) Mechanical breakdown, latent defect, inherent vice, or any quality in property that causes it to damage or destroy itself;
- (c) Smog, rust or other corrosion, mold, wet or dry rot;
- (d) Smoke from agricultural smudging or industrial operations;
- (e) Discharge, dispersal, seepage, migration release or escape of pollutants unless the discharge, dispersal, seepage, migration, release or escape is itself caused by a Peril Insured Against.
Pollutants means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed;
- (f) Settling, shrinking, bulging or expansion, including resultant cracking, of bulkheads, pavements, patios, footings, foundations, walls, floors, roofs or ceilings; or
- (g) Birds, vermin, rodents, insects or domestic animals.

Exception to c.(7)

Unless the loss is otherwise excluded, we cover loss to property covered under Coverage A or B resulting from an accidental discharge or overflow of

water or steam from within a:

- i. Storm drain, or water, steam or sewer pipe, off the Described Location; or
- ii. Plumbing, heating, air conditioning or automatic fire protective sprinkler system or household appliance on the Described Location. This includes the cost to tear out and replace any part of a building, or other structure, on the Described Location, but only when necessary to repair the system or appliance. However, such tear out and replacement coverage only applies to other structures if the water or steam causes actual damage to a building on the Described Location.

We do not cover loss to the system or appliance from which this water or steam escaped.

For the purposes of this provision, a plumbing system or household appliance does not include a sump, sump pump or related equipment or roof drain, gutter, down spout or similar fixtures or equipment.

General Exclusion A.3. Water Damage, Paragraphs a. and c. that apply to surface water and water below the surface of ground do not apply to loss by water covered under c.(7) above.

Under 2.b. and c. above, any ensuing loss to property described in Coverages A and B not excluded or excepted in this policy is covered.

GENERAL EXCLUSIONS

- A. We do not insure for loss caused directly or indirectly by any of the following. Such loss is excluded regardless of any other cause or event contributing concurrently or in any sequence to the loss. These exclusions apply whether or not the loss event results in widespread damage or affects a substantial area.

1. Ordinance Or Law

Ordinance Or Law means any ordinance or law:

- a. Requiring or regulating the construction, demolition, remodeling, renovation or repair of property, including removal of any resulting debris. This Exclusion A.1.a. does not apply to the amount of coverage that may be provided under Other Coverage 4. Ordinance Or Law;
- b. The requirements of which result in a loss in value to property; or
- c. Requiring you or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, pollutants.

Pollutants means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.

This Exclusion A.1. applies whether or not the property has been physically damaged.

2. Earth Movement

Earth Movement means:

- a. Earthquake, including land shock waves or tremors before, during or after a volcanic eruption;
- b. Landslide, mudslide or mudflow;
- c. Subsidence or sinkhole; or
- d. Any other earth movement including earth sinking, rising or shifting;

caused by or resulting from human or animal forces or any act of nature unless direct loss by fire or explosion ensues and then we will pay only for the ensuing loss.

3. Water Damage

Water Damage means:

- a. Flood, surface water, waves, tidal water, overflow of a body of water or spray from any of these, whether or not driven by wind;
- b. Water or water-borne material which backs up through sewers or drains or which overflows or is discharged from a sump, sump pump or related equipment; or
- c. Water or water-borne material below the surface of the ground, including water which exerts pressure on or seeps or leaks through a building, sidewalk, driveway, foundation, swimming pool or other structure;

caused by or resulting from human or animal forces or any act of nature.

Direct loss by fire or explosion resulting from water damage is covered.

4. Power Failure

Power Failure means the failure of power or other utility service if the failure takes place off the Described Location. But if the failure of power or other utility service results in a loss, from a Peril Insured Against on the Described Location, we will pay for the loss caused by that Peril Insured Against.

5. Neglect

Neglect means your neglect to use all reasonable means to save and preserve property at and after the time of a loss.

6. War

War includes the following and any consequence of any of the following:

- a. Undeclared war, civil war, insurrection, rebellion or revolution;
- b. Warlike act by a military force or military personnel;
- c. Destruction or seizure or use for a military purpose.

Discharge of a nuclear weapon will be deemed a warlike act even if accidental.

7. Nuclear Hazard

This Exclusion A.7. pertains to Nuclear Hazard to the extent set forth in the Nuclear Hazard Clause of the General Provisions.

8. Intentional Loss

Intentional Loss means any loss arising out of any act you or any person or organization named as an additional insured commits or conspires to commit with the intent to cause a loss.

In the event of such loss, neither you nor any such person or organization is entitled to coverage, even those who did not commit or conspire to commit the act causing the loss.

9. Governmental Action

Governmental Action means the destruction, confiscation or seizure of property described in A and B by order of any governmental or public authority.

This exclusion does not apply to such acts ordered by any governmental or public authority that are taken at the time of a fire to prevent its spread, if the loss caused by fire would be covered under this policy.

B. We do not insure for loss to property described in Coverages A and B caused by any of the following. However, any ensuing loss to property described in Coverages A and B not precluded by any other provision in this policy is covered.

1. Weather conditions. However, this exclusion only applies if weather conditions contribute in any way with a cause or event excluded in A. above to produce the loss.
2. Acts or decisions, including the failure to act or decide, of any person, group, organization or governmental body.
3. Faulty, inadequate or defective:
 - a. Planning, zoning, development, surveying, siting;
 - b. Design, specifications, workmanship, repair, construction, renovation, remodeling, grading, compaction;
 - c. Materials used in repair, construction, renovation or remodeling; or
 - d. Maintenance;

of part or all of any property whether on or off the Described Location.

GENERAL PROPERTY AMENDED FORM

AGREEMENT

We will provide the insurance described in this Policy in return for the premium and compliance with all applicable provisions of this Policy.

DEFINITIONS

Throughout this Policy, "you" and "your" refer to the Named Insured shown in the Declarations. "We", "us" and "our" refer to the Company providing this insurance.

SECTION I – PROPERTY COVERED

The insurance under this Policy covers "Building(s)" in accordance with the following description(s) of coverage. This insurance does not cover land. Coverage A - Building(s): Building(s) or structure(s) shall include attached additions and extensions; fixtures, machinery and equipment constituting a permanent part of and pertaining to the service of the building; yard fixtures; personal property of the mortgagor used for the maintenance or service of the described building(s), including fire extinguishing apparatus, outdoor furniture, floor coverings and appliances for refrigerating, ventilating, cooking, dishwashing and laundering (but not including other personal property in apartments or rooms furnished by the mortgagor as landlord); all while as the described location(s).

Debris Removal: This insurance covers expense incurred in the removal of debris of the property covered, which may be occasioned by loss caused by any of the perils insured against in this Policy.

The total liability under this Policy for both loss to property and debris removal expense shall not exceed the amount of insurance applying under this Policy to the property covered.

SECTION II – PROPERTY NOT COVERED

Policy does not cover:

1. Covered Property does not include:

- a. Accounts, bills, currency, food stamps or other evidences of debt, money, notes or securities. Lottery tickets held for sale are not securities;

- b. Animals;
- c. Automobiles held for sale;
- d. Bridges, roadways, walks, patios or other paved surfaces;
- e. Contraband, or property in the course of illegal transportation or trade;
- f. The cost of excavations, grading, backfilling or filling;
- g. Foundations of buildings, structures, machinery or boilers if their foundations are below:
 - (1) The lowest basement floor; or
 - (2) The surface of the ground, if there is no basement;
- h. Land (including land on which the property is located), water, growing crops or lawns;
- i. Personal property while airborne or waterborne;
- j. Bulkheads, pilings, piers, wharves or docks;
- k. Property that is covered under another coverage form of this or any other policy in which it is more specifically described, except for the excess of the amount due (whether you can collect on it or not) from that other insurance;
- l. Retaining walls that are not part of a building;
- m. Underground pipes, flues or drains;
- n. Electronic data, except as provided under the Additional Coverage, Electronic Data. Electronic data means information, facts or computer programs stored as or on, created or used on, or transmitted to or from computer software (including systems and applications software), on hard or floppy disks, CD-ROMs, tapes, drives, cells, data processing devices or any other repositories of computer software which are used with electronically controlled equipment. The term computer programs, referred to in the foregoing description of electronic data, means a set of related electronic instructions which direct the operations and

functions of a computer or device connected to it, which enable the computer or device to receive, process, store, retrieve or send data. This paragraph, n., does not apply to your "stock" of prepackaged software;

- o. The cost to replace or restore the information on valuable papers and records, including those which exist as electronic data. Valuable papers and records include but are not limited to proprietary information, books of account, deeds, manuscripts, abstracts, drawings and card index systems. Refer to the Coverage Extension for Valuable Papers And Records (Other Than Electronic Data) for limited coverage for valuable papers and records other than those which exist as electronic data;
- p. Vehicles or self-propelled machines (including aircraft or watercraft) that:
 - (1) Are licensed for use on public roads; or
 - (2) Are operated principally away from the described premises.

This paragraph does not apply to:

- (a) Vehicles or self-propelled machines or autos you manufacture, process or warehouse;
- (b) Vehicles or self-propelled machines, other than autos, you hold for sale;
- (c) Rowboats or canoes out of water at the described premises; or
- (d) Trailers, but only to the extent provided for in the Coverage Extension for Non-owned Detached Trailers;
- q. The following property while outside of buildings:
 - (1) Grain, hay, straw or other crops;
 - (2) Fences, radio or television antennas (including satellite dishes) and their lead-in wiring, masts or towers, trees, shrubs or plants (other than "stock" of trees, shrubs or plants), all except as provided in the Coverage Extensions.
- 2. In addition to the properties listed in item 1 a. through q. above any Ineligible Properties

appearing in the Declarations of the Blanket Mortgage Security Policy are also excluded.

SECTION III – PERILS INSURED AGAINST

This Policy insures against all direct loss caused by:

1. Fire.
2. Lightning.
3. Explosion, including the explosion of gases or fuel within the furnace of any fired vessel or within the flues or passages through which the gases of combustion pass. This cause of loss does not include loss or damage by:
 - a. Rupture, bursting or operation of pressure-relief devices; or
 - b. Rupture or bursting due to expansion or swelling of the contents of any building or structure, caused by or resulting from water.
4. Windstorm or Hail, but not including:
 - a. Frost or cold weather;
 - b. Ice (other than hail), snow or sleet, whether driven by wind or not; or
 - c. Loss or damage to the interior of any building or structure, or the property inside the building or structure, caused by rain, snow, sand or dust, whether driven by wind or not, unless the building or structure first sustains wind or hail damage to its roof or walls through which the rain, snow, sand or dust enters.
5. Smoke causing sudden and accidental loss or damage. This cause of loss does not include smoke from agricultural smudging or industrial operations.
6. Aircraft or Vehicles, meaning only physical contact of an aircraft, a spacecraft, a self-propelled missile, a vehicle or an object thrown up by a vehicle with the described property or with the building or structure containing the described property. This cause of loss includes loss or damage by objects falling from aircraft.

We will not pay for loss or damage caused by or resulting from vehicles you own or which are operated in the course of your business.

7. Riot or Civil Commotion, including:

- a. Acts of striking employees while occupying the described premises; and
- b. Looting occurring at the time and place of a riot or civil commotion.

8. Vandalism, meaning willful and malicious damage to, or destruction of, the described property.

We will not pay for loss or damage caused by or resulting from theft, except for building damage caused by the breaking in or exiting of burglars.

9. Sprinkler Leakage, meaning leakage or discharge of any substance from an Automatic Sprinkler System, including collapse of a tank that is part of the system.

If the building or structure containing the Automatic Sprinkler System is Covered Property, we will also pay the cost to:

- a. Repair or replace damaged parts of the Automatic Sprinkler System if the damage:
 - (1) Results in sprinkler leakage; or
 - (2) Is directly caused by freezing.
- b. Tear out and replace any part of the building or structure to repair damage to the Automatic Sprinkler System that has resulted in sprinkler leakage.

Automatic Sprinkler System means:

- (1) Any automatic fire-protective or extinguishing system, including connected:
 - (a) Sprinklers and discharge nozzles;
 - (b) Ducts, pipes, valves and fittings;
 - (c) Tanks, their component parts and supports; and
 - (d) Pumps and private fire protection mains.
- (2) When supplied from an automatic fire-protective system:
 - (a) Non-automatic fire-protective systems; and
 - (b) Hydrants, standpipes and outlets.

10. Sinkhole Collapse, meaning loss or damage caused by the sudden sinking or collapse of land into underground empty spaces created by the action of water on limestone or dolomite. This cause of loss does not include:

- a. The cost of filling sinkholes; or
- b. Sinking or collapse of land into man-made underground cavities.

11. Volcanic Action, meaning direct loss or damage resulting from the eruption of a volcano when the loss or damage is caused by:

- a. Airborne volcanic blast or airborne shock waves;
- b. Ash, dust or particulate matter; or
- c. Lava flow.

All volcanic eruptions that occur within any 168-hour period will constitute a single occurrence.

This cause of loss does not include the cost to remove ash, dust or particulate matter that does not cause direct physical loss or damage to the described property.

12. Falling Objects

But we will not pay for loss or damage to:

- a. Personal property in the open; or
- b. The interior of a building or structure, or property inside a building or structure, unless the roof or an outside wall of the building or structure is first damaged by a falling object.

13. Weight Of Snow, Ice Or Sleet

But we will not pay for loss or damage to personal property outside of buildings or structures.

14. Water Damage

- a. Water Damage, meaning accidental discharge or leakage of water or steam as the direct result of the breaking apart or cracking of a plumbing, heating, air conditioning or other system or appliance, that is located on the described premises and contains water or steam.

However, Water Damage does not include:

- (1) Discharge or leakage from:
 - (a) An Automatic Sprinkler System;
 - (b) A sump or related equipment and parts, including overflow due to sump pump failure or excessive volume of water; or
 - (c) Roof drains, gutters, downspouts or similar fixtures or equipment;

- (2) The cost to repair any defect that caused the loss or damage;
- (3) Loss or damage caused by or resulting from continuous or repeated seepage or leakage of water, or the presence or condensation of humidity, moisture or vapor, that occurs over a period of 14 days or more; or
- (4) Loss or damage caused by or resulting from freezing, unless:
 - (a) You do your best to maintain heat in the building or structure; or
 - (b) You drain the equipment and shut off the water supply if the heat is not maintained.
- b. If coverage applies subject to a. above, and the building or structure containing the system or appliance is Covered Property, we will also pay the cost to tear out and replace any part of the building or structure to repair damage to the system or appliance from which the water or steam escapes. But we will not pay the cost to repair any defect that caused the loss or damage.

SECTION IV – EXCLUSIONS

- 1. We will not pay for loss or damage caused directly or indirectly by any of the following. Such loss or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss.
 - a. **Ordinance Or Law**
The enforcement of any ordinance or law:
 - (1) Regulating the construction, use or repair of any property; or
 - (2) Requiring the tearing down of any property including the cost of removing its debris.
 This exclusion, Ordinance Or Law, applies whether the loss results from:
 - (a) An ordinance or law that is enforced even if the property has not been damaged; or
 - (b) The increased costs incurred to comply with an ordinance or law in the course of construction, repair, renovation, remodeling or demolition of property, or removal of its debris,

following a physical loss to that property.

b. **Earth Movement**

- (1) Earthquake, including any earth sinking, rising or shifting related to such event;
- (2) Landslide, including any earth sinking, rising or shifting related to such event;
- (3) Mine subsidence, meaning subsidence of a man-made mine, whether or not mining activity has ceased;
- (4) Earth sinking (other than sinkhole collapse), rising or shifting including soil conditions which cause settling, cracking or other disarrangement of foundations or other parts of realty. Soil conditions include contraction, expansion, freezing, thawing, erosion, improperly compacted soil and the action of water under the ground surface.

But if Earth Movement, as described in b.(1) through (4) above, results in fire or explosion, we will pay for the loss or damage caused by that fire or explosion.

- (5) Volcanic eruption, explosion or effusion. But if volcanic eruption, explosion or effusion results in fire, building glass breakage or Volcanic Action, we will pay for the loss or damage caused by that fire, building glass breakage or Volcanic Action.

c. **Governmental Action**

Seizure or destruction of property by order of governmental authority.

But we will pay for loss or damage caused by or resulting from acts of destruction ordered by governmental authority and taken at the time of a fire to prevent its spread, if the fire would be covered under this Coverage Part.

d. **Nuclear Hazard**

Nuclear reaction or radiation, or radioactive contamination, however caused.

But if nuclear reaction or radiation, or radioactive contamination, results in fire, we will pay for the loss or damage caused by that fire.

e. **Utility Services**

The failure of power, communication, water or other utility service supplied to the described premises, however caused, if the failure:

- (1) Originates away from the described premises; or
- (2) Originates at the described premises, but only if such failure involves equipment used to supply the utility service to the described premises from a source away from the described premises.

Failure of any utility service includes lack of sufficient capacity and reduction in supply. Loss or damage caused by a surge of power is also excluded, if the surge would not have occurred but for an event causing a failure of power.

But if the failure or surge of power, or the failure of communication, water or other utility service, results in a Covered Cause of Loss, we will pay for the loss or damage caused by that Covered Cause of Loss.

Communication services include but are not limited to service relating to Internet access or access to any electronic, cellular or satellite network.

f. War And Military Action

- (1) War, including undeclared or civil war;
- (2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- (3) Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

g. Water

- (1) Flood, surface water, waves, tides, tidal waves, overflow of any body of water, or their spray, all whether driven by wind or not;
- (2) Mudslide or mudflow;
- (3) Water that backs up or overflows from a sewer, drain or sump; or
- (4) Water under the ground surface pressing on, or flowing or seeping through:

- (a) Foundations, walls, floors or paved surfaces;
- (b) Basements, whether paved or not; or
- (c) Doors, windows or other openings.

But if Water, as described in g.(1) through g.(4) above, results in fire, explosion or sprinkler leakage, we will pay for the loss or damage caused by that fire, explosion or sprinkler leakage.

h. "Fungus", Wet Rot, Dry Rot And Bacteria

Presence, growth, proliferation, spread or any activity of "fungus", wet or dry rot or bacteria.

But if "fungus", wet or dry rot or bacteria results in a Covered Cause of Loss, we will pay for the loss or damage caused by that Covered Cause of Loss.

This exclusion does not apply:

1. When "fungus", wet or dry rot or bacteria results from fire or lightning; or
2. To the extent that coverage is provided in the Additional Coverage – Limited Coverage For "Fungus", Wet Rot, Dry Rot And Bacteria with respect to loss or damage by a cause of loss other than fire or lightning.

Exclusions 1.a. through 1.h. apply whether or not the loss event results in widespread damage or affects a substantial area.

2. We will not pay for loss or damage caused by or resulting from:
 - a. Artificially generated electrical, magnetic or electromagnetic energy that damages, disturbs, disrupts or otherwise interferes with any:
 - (1) Electrical or electronic wire, device, appliance, system or network; or
 - (2) Device, appliance, system or network utilizing cellular or satellite technology.

For the purpose of this exclusion, electrical, magnetic or electromagnetic energy includes but is not limited to:

- (a) Electrical current, including arcing;

(b) Electrical charge produced or conducted by a magnetic or electromagnetic field;

(c) Pulse of electromagnetic energy; or

(d) Electromagnetic waves or microwaves.

But if fire results, we will pay for the loss or damage caused by that fire.

- b. Explosion of steam boilers, steam pipes, steam engines or steam turbines owned or leased by you, or operated under your control.

But if explosion of steam boilers, steam pipes, steam engines or steam turbines results in fire or combustion explosion, we will pay for the loss or damage caused by that fire or combustion explosion.

- c. Mechanical breakdown, including rupture or bursting caused by centrifugal force.

But if mechanical breakdown results in a Covered Cause of Loss, we will pay for the loss or damage caused by that Covered Cause of Loss.

- d. Neglect of an insured to use all reasonable means to save and preserve property from further damage at and after the time of loss.

SECTION V – ADDITIONAL COVERAGE – COLLAPSE

The coverage provided under this Additional Coverage – Collapse applies only to an abrupt collapse as described and limited in **SECTION V 1. through 7.**

1. For the purpose of this Additional Coverage – Collapse, abrupt collapse means an abrupt falling down or caving in of a building or any part of a building with the result that the building or part of the building cannot be occupied for its intended purpose.
2. We will pay for direct physical loss or damage to Covered Property, caused by abrupt collapse of a building or any part of a building that is insured under this Coverage Form or that contains Covered Property insured under this Coverage Form, if such collapse is caused by one or more of the following:
 - a. Fire; lightning; explosion; windstorm or hail; smoke; aircraft or vehicles; riot or civil commotion; vandalism; leakage

from fire-extinguishing equipment; sinkhole collapse; volcanic action; breakage of building glass; falling objects; weight of snow, ice or sleet; water damage, meaning accidental discharge or leakage of water or steam as the direct result of the breaking apart or cracking of a plumbing, heating, air conditioning or other system or appliance (other than a sump system including its related equipment and parts), that is located on the described premises and contains water or steam; all only as insured against in this Coverage Part;

- b. Building decay that is hidden from view, unless the presence of such decay is known to an insured prior to collapse;
- c. Insect or vermin damage that is hidden from view, unless the presence of such damage is known to an insured prior to collapse;
- d. Weight of people or personal property;
- e. Weight of rain that collects on a roof;
- f. Use of defective material or methods in construction, remodeling or renovation if the abrupt collapse occurs during the course of the construction, remodeling or renovation. However, if such collapse occurs after construction, remodeling or renovation is complete and is caused in part by a cause of loss listed in 2.a. through 2.e., we will pay for the loss or damage even if use of defective material or methods, in construction, remodeling or renovation, contributes to the collapse.

This Additional Coverage – Collapse does not limit the coverage otherwise provided under this Causes of Loss Form for the causes of loss listed in 2.a.

3. This Additional Coverage – Collapse does not apply to:

- a. A building or any part of a building that is in danger of falling down or caving in;
- b. A part of a building that is standing, even if it has separated from another part of the building; or
- c. A building that is standing or any part of a building that is standing, even if it shows evidence of cracking, bulging, sagging, bending, leaning, settling, shrinkage or expansion.

4. With respect to the following property:

- a. Outdoor radio or television antennas (including satellite dishes) and their lead-in wiring, masts or towers;
- b. Awnings, gutters and downspouts;
- c. Yard fixtures;
- d. Outdoor swimming pools;
- e. Fences;
- f. Piers, wharves and docks;
- g. Beach or diving platforms or appurtenances;
- h. Retaining walls; and
- i. Walks, roadways and other paved surfaces;

if an abrupt collapse is caused by a cause of loss listed in 2.b. through 2.f. we will pay for loss or damage to that property only if:

- (1) Such loss or damage is a direct result of the abrupt collapse of a building insured under this Coverage Form; and
 - (2) The property is Covered Property under this Coverage Form.
5. If personal property abruptly falls down or caves in and such collapse is not the result of abrupt collapse of a building, we will pay for loss or damage to Covered Property caused by such collapse of personal property only if:
- a. The collapse of personal property was caused by a cause of loss listed in 2.a. through 2.f. above;
 - b. The personal property which collapses is inside a building; and
 - c. The property which collapses is not of a kind listed in 4. regardless of whether that kind of property is considered to be personal property or real property.

The coverage stated in this Paragraph 5. does not apply to personal property if marring and/or scratching is the only damage to that personal property caused by the collapse.

- 6. This Additional Coverage – Collapse does not apply to personal property that has not abruptly fallen down or caved in, even if the personal property shows evidence of cracking, bulging, sagging, bending, leaning, settling, shrinkage or expansion.
- 7. This Additional Coverage – Collapse will not increase the Limits of Insurance provided in this Coverage Part.

- 8. The term Covered Cause of Loss includes the Additional Coverage – Collapse as described and limited in SECTION V 1. through 7.

SECTION VI – OTHER PROVISIONS

- 1. **Inspection of Property and Operations:** This Company and any person or organization making inspections on the Company's benefit shall be permitted but not obligated to inspect the mortgagor's property and operations at any time. Neither the right of this Company and any person or organization to make such inspections nor the making thereof nor any report thereon shall constitute an undertaking, on behalf of or for the benefit of the named insured or others, to determine or warrant that such property or operations are safe or healthful, or are in compliance with any law, rule or regulations.
- 2. **Permits and Use:** Except as otherwise provided, permission is granted:
 - a. to make additions, alterations and repairs. This Policy insofar as it covers building(s) or structure(s), is extended to cover additions, alterations and repairs, when not otherwise covered by insurance, including temporary structures constructed on site, materials, equipment and supplies therefore on or within 100 feet of the described premises; and this Policy, insofar as it covers contents, is extended to cover such additions.
 - b. for such unoccupancy as is usual or incidental to described occupancy. "Unoccupied" or "Unoccupancy" means containing contents pertaining to occupancy of the building while operations or other customary activities are suspended.
- 3. **Protective Safeguards:** It is a condition of this insurance that you and the mortgagor shall maintain so far as is within your or the mortgagor's control such protective safeguards as are set forth by endorsement hereto. Failure to maintain such protective safeguards shall suspend this insurance, only as respects the location or situation affected, for the time of such discontinuance.

MORTGAGE SECURITY
MSP 03 02 02 13

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

WIND, HAIL AND HURRICANE DEDUCTIBLE ENDORSEMENT

In consideration of the basis on which this policy has been issued and premiums collected, it is agreed between the named insured and the Company that the deductible provision of the Blanket Mortgage Security Policy is:

A minimum deductible of 2% of the property limit, or the deductible shown on the declarations page, whichever is greater, shall apply to each occurrence caused by the perils of wind, hail and hurricane.

ALL OTHER TERMS AND CONDITIONS OF THE POLICY REMAIN UNCHANGED.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

BUSINESS PERSONAL PROPERTY ENDORSEMENT

In consideration of additional premiums collected, coverage is extended for Business Personal Property in which you as Named Insured have an insurable interest as lienholder or loss payee or owner as the result of a default on a loan or note.

Your Business Personal Property located in or on the building described in the Declarations or in the open (or in a vehicle) within 100 feet of the described premises, consisting of the following unless otherwise specified:

- (1) Furniture and fixtures;
- (2) Machinery and equipment;
- (3) "Stock";
- (4) All other personal property owned by you and used in your business;
- (5) Labor, materials or services furnished or arranged by you on personal property of others;
- (6) Your use interest as tenant in improvements and betterments. Improvements and betterments are fixtures, alterations, installations or additions:
 - (a) Made a part of the building or structure you occupy but do not own; and
 - (b) You acquired or made at your expense but cannot legally remove;
- (7) Leased personal property for which you have a contractual responsibility to insure, unless otherwise provided for under Personal Property Of Others.
 - (a) Personal Property Of Others that is:
 - (1) In your care, custody or control; and
 - (2) Located in or on the building described in the Declarations or in the open (or in a vehicle) within 100 feet of the described premises.

However, our payment for loss of or damage to personal property of others will only be for the account of the owner of the property.

PROPERTY NOT COVERED

Covered Property does not include:

- a. Accounts, bills, currency, food stamps or other evidences of debt, money, notes or securities. Lottery tickets held for sale are not securities;
- b. Animals, unless owned by others and boarded by you, or if owned by you, only as "stock" while inside of buildings;
- c. Automobiles held for sale;
- d. Bridges, roadways, walks, patios or other paved surfaces;
- e. Contraband, or property in the course of illegal transportation or trade;
- f. The cost of excavations, grading, backfilling or filling;
- g. Foundations of buildings, structures, machinery or boilers if their foundations are below:
 - (1) The lowest basement floor; or
 - (2) The surface of the ground, if there is no basement;
- h. Land (including land on which the property is located), water, growing crops or lawns;
- i. Personal property while airborne or waterborne;
- j. Bulkheads, pilings, piers, wharves or docks;
- k. Property that is covered under another coverage form of this or any other policy in which it is more specifically described, except for the excess of the amount due (whether you can collect on it or not) from that other insurance;
- l. Retaining walls that are not part of a building;
- m. Underground pipes, flues or drains;
- n. Electronic data, except as provided under the Additional Coverage, Electronic Data. Electronic data means information, facts or computer programs stored as or on, created or used on, or transmitted to or from computer software (including systems and applications software), on hard or floppy

disks, CD-ROMs, tapes, drives, cells, data processing devices or any other repositories of computer software which are used with electronically controlled equipment. The term computer programs, referred to in the foregoing description of electronic data, means a set of related electronic instructions which direct the operations and functions of a computer or device connected to it, which enable the computer or device to receive, process, store, retrieve or send data. This paragraph, n., does not apply to your "stock" of prepackaged software;

- o. The cost to replace or restore the information on valuable papers and records, including those which exist as electronic data. Valuable papers and records include but are not limited to proprietary information, books of account, deeds, manuscripts, abstracts, drawings and card index systems. Refer to the Coverage Extension for Valuable Papers And Records (Other Than Electronic Data) for limited coverage for valuable papers and records other than those which exist as electronic data;
- p. Vehicles or self-propelled machines (including aircraft or watercraft) that:
 - (1) Are licensed for use on public roads; or
 - (2) Are operated principally away from the described premises.

This paragraph does not apply to:

- (a) Vehicles or self-propelled machines or autos you manufacture, process or warehouse;
- (b) Vehicles or self-propelled machines, other than autos, you hold for sale;
- (c) Rowboats or canoes out of water at the described premises; or
- (d) Trailers, but only to the extent provided for in the Coverage Extension for Non-owned Detached Trailers;
- q. The following property while outside of buildings:
 - (1) Grain, hay, straw or other crops;
 - (2) Fences, radio or television antennas (including satellite dishes) and their lead-in wiring, masts or towers, trees, shrubs or plants (other than "stock" of trees, shrubs or plants), all except as provided in the Coverage Extensions.

Business Personal Property coverage is valued on an actual cash value basis except as stated in Exception. The limit of liability for this coverage shall be specifically reported to the Company but, in no event exceed the limit of liability shown on the Declarations.

The coverage provided by this endorsement shall in no way increase the policy's limit of liability as stated in the Amount of Insurance shown in the Declarations, of the Mortgage Security Policy.

Business Personal Property valuation exceptions:

- A. Finished "stock" or inventory and sold business property completed and awaiting delivery are valued based on your selling price less the value of discounts and expenses you would have had.
- B. Accounts receivable, valuable papers and records, negatives, transparencies, tapes, and prints are valued based on the cost of blank materials, including electronic data processing media but, not prepackaged software programs.
- C. Gold, Gold Salts, and other precious metals are valued at the market cost for replacement as published by American Metals Market, during a period of 10 (ten) working days immediately following the date of loss, or the actual sum you pay for replacement, which is lower.

The deductible for Business Personal Property shall apply separately from deductibles provided by other coverages under this policy.

Perils insured against for Business Personal Property shall be those detailed on form **MSP 00 04**.

Automatic coverage does not apply to collateral insured under this endorsement.

ALL OTHER TERMS AND CONDITIONS OF THE POLICY REMAIN UNCHANGED.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

PERSONAL PROPERTY ENDORSEMENT

In consideration of the basis upon which this policy has been issued, it is agreed between the named insured and the Company that the following will apply to the Master Policy.

COVERED PROPERTY

In consideration of additional premiums collected, coverage is extended to include the personal property of the mortgagor when specifically requested by the named insured.

The coverage provided by this endorsement shall in no way increase the policy's limit of liability as stated in the Amount of Insurance shown in the Declarations, of the Blanket Mortgage Security Policy.

The personal property covered must be usual to the occupancy of the mortgaged property as a residence. The coverage pertains only to personal property located at the mortgaged property residence at the time of loss.

PROPERTY NOT COVERED

- a. Accounts, bank notes, bills, bullion, coins, currency, deeds, evidences of debt, gold other than goldware, letters of credit, manuscripts, medals, money, notes other than bank notes, passports, personal records, platinum other than platinumware, securities, silver other than silverware, tickets, stamps, scrip, stored value cards and smart cards;
- b. Animals, birds or fish;
- c. Aircraft meaning any contrivance used or designed for flight including any parts whether or not attached to the aircraft.
We do cover model or hobby aircraft not used or designed to carry people or cargo;
- d. Hovercraft and parts. Hovercraft means a self-propelled motorized ground effect vehicle and includes, but is not limited to, flarecraft and air cushion vehicles;

- e. Motor vehicles or all other motorized land conveyances.

(1) This includes:

- (a) Their accessories, equipment and parts; or
- (b) Any device or instrument for the transmitting, recording, receiving or reproduction of sound or pictures which is operated by power from the electrical system of motor vehicles and all other motorized land conveyances, and its accessories. Accessories include antennas, tapes, wires, records, discs or other media that can be used with any device or instrument described above.

The exclusion of property described in (a) and (b) above applies only while such property is in or upon the vehicle or conveyance.

- (2) We do cover motor vehicles or other motorized land conveyances not required to be registered for use on public roads or property which are:

- (a) Used solely to service the Described Location; or
- (b) Designed to assist the handicapped;

- f. Watercraft of all types, other than rowboats and canoes;

- g. Data, including data stored in:

- (1) Books of account, drawings or other paper records; or
- (2) Computers and related equipment;

We do cover the cost of blank recording or storage media, and of prerecorded computer programs available on the retail market;

- h. Credit cards, electronic fund transfer cards or access devices used solely for deposit, withdrawal or transfer of funds;
- i. Water or steam; or
- j. Gravemarkers, including mausoleums.

- (1) Valuable papers, currency, gold, silver, and notes.
- (2) Animals, birds, or fish.
- (3) Aircraft and parts.
- (4) Motor vehicles, other than motorized equipment used to service residence.
- (5) Boats, other than rowboats and canoes.
- (6) Furs, fur garments, jewels, jewelry, and pearls.

Personal Property coverage is valued on an actual cash basis at the time of loss but not exceeding the amount necessary to repair or replace.

Automatic coverage does not apply to collateral insured under this endorsement.

THIS COVERAGE PERTAINS TO RESIDENTIAL PROPERTY ONLY

ALL OTHER TERMS AND CONDITIONS OF THE POLICY REMAIN UNCHANGED.

MORTGAGE SECURITY
MSP 04 04 02 13

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

SECOND MORTGAGE ENDORSEMENT

(To be attached to Master Policy)

In consideration of the premium charged, it is hereby understood and agreed that this policy is extended to insure real property that is security for a second mortgage or equity loan.

If there should be another policy in force insuring that real property, that policy would be primary and this Company would pay only the excess over that paid by the primary carrier up to the amount reported to us - but the total of all insurance Primary and Excess, is never to exceed 100% of the Replacement Cost of the structure.

Coverage as provided under this policy as it applies to second mortgage and equity loans will follow the settlements of the First Mortgage Insurer. The Company shall not be liable for the interest of any mortgagee not named on the Policy.

The Company's liability for loss with respect to any property covered hereunder shall not exceed the limit of liability reflected on the declarations page.

- a. The amount it would cost to repair or replace the property with material of like kind and quality.
- b. The outstanding balance of the second mortgage or equity loan on the property.

In the absence of primary insurance, the deductible will be \$250.

All other policy terms and conditions shall remain in full force and effect. In witness whereof, the company has caused this endorsement to be executed by a duly authorized representative.

MORTGAGE SECURITY
MSP 17 02 02 13

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CONDOMINIUM COVERAGE ENDORSEMENT

For purposes of this endorsement only:

Under COVERAGES Coverage A – Dwelling is revised by the addition of:

- e) **condominium.** Condominium means a method of property ownership where there is a common ownership of certain portions of the premises and distinct ownership of individual condominium or cooperative apartment units ("units").

We cover your unit and:

1. permanent alterations, fixtures and improvements contained within **your unit**;
2. property which is part of **your unit** and which is **your** responsibility to maintain insurance under a corporate declaration or an association of property owners agreement;
3. structures at the **described location** other than the **condominium**, provided **you** have a **mortgagee interest** in such structure and it is not used for commercial purposes.

The following is added to Other Coverages;

- A. **Loss Assessments** - We will pay up to \$5,000 for **your** share of any assessment charged to all **unit** owners by the corporation or association of property owners when such assessment is made due to loss or damage by an insured peril to property owned by all **unit** owners collectively. But **we** will not pay more than \$1,000 per **unit** for an assessment that results from a deductible in the insurance purchased by the corporation or association of property owners.

Condition F. Other Insurance is replaced by:

- F. **Other Insurance** - This policy is excess over all other insurance covering the **condominium**, including any insurance purchased by or in the name of the association of property owners. If a loss covered by this policy is also covered by other insurance, **our** liability is limited to the amount of covered loss or damage in excess of the amount due from that other insurance, whether **you** can collect it or not. If there is no other insurance covering the **condominium** in which each **unit** owner has an undivided interest, including any insurance purchased by or in the name of the association of property owners, **our** liability shall be limited to the proportion that the value of **your unit** bears to the total value of the **condominium**.

ALL OTHER TERMS AND CONDITIONS OF THE POLICY REMAIN UNCHANGED.

MORTGAGE SECURITY
MSP 99 04 02 13

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

REPORTING OF MULTI-BUILDING PROPERTY COVERAGE

It is hereby agreed that the following procedure shall be used to report multi-building properties under this policy:

In the event that more than one separate building/dwelling at a location is to be covered under this policy, it shall be the insured's responsibility, prior to placing coverage, to specifically schedule each separate building/dwelling, including the separate address or building number, and to provide the amount of insurance desired for each individual separate building/dwelling. (but not to exceed the policy limit)

Premium shall be charged for each individual separate building/dwelling reported.

If separate buildings are not scheduled at the time coverage is placed, the limit of any one separate building shall be pro-rata portion of the actual amount of coverage requested at the property location based on Actual Cash Value (ACV) and calculated as follows:

(ACV of separate building / ACV of all Buildings)
X
Actual amount of coverage at the property location

In this endorsement, a "separate building" is defined as a standalone building.

If separate dwellings are not scheduled at the time coverage is placed, the limit of any one separate dwelling shall be pro-rata portion of the actual amount of coverage requested at the property location based on replacement cost value (RCV) and calculated as follows:

(RCV of separate dwelling / RCV of all dwellings) X
Actual amount of coverage at the property location

For the purposes of this endorsement, separate dwelling shall be defined as a standalone dwelling.

All other terms and conditions of this policy shall remain in full force and effect.

In witness whereof, the Company has caused this endorsement to be executed by a duly authorized representative.

COMMON POLICY CONDITIONS

All Coverage Parts included in this policy are subject to the following conditions.

A. Cancellation

1. The first Named Insured shown in the Declarations may cancel this policy by mailing or delivering to us advance written notice of cancellation.
2. We may cancel this policy by mailing or delivering to the first Named Insured written notice of cancellation at least:
 - a. 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or
 - b. 30 days before the effective date of cancellation if we cancel for any other reason.
3. We will mail or deliver our notice to the first Named Insured's last mailing address known to us.
4. Notice of cancellation will state the effective date of cancellation. The policy period will end on that date.
5. If this policy is cancelled, we will send the first Named Insured any premium refund due. If we cancel, the refund will be pro rata. If the first Named Insured cancels, the refund may be less than pro rata. The cancellation will be effective even if we have not made or offered a refund.
6. If notice is mailed, proof of mailing will be sufficient proof of notice.

B. Changes

This policy contains all the agreements between you and us concerning the insurance afforded. The first Named Insured shown in the Declarations is authorized to make changes in the terms of this policy with our consent. This policy's terms can be amended or waived only by endorsement issued by us and made a part of this policy.

C. Examination Of Your Books And Records

We may examine and audit your books and records as they relate to this policy at any time during the policy period and up to three years afterward.

D. Inspections And Surveys

1. We have the right to:
 - a. Make inspections and surveys at any time;

- b. Give you reports on the conditions we find; and
- c. Recommend changes.

2. We are not obligated to make any inspections, surveys, reports or recommendations and any such actions we do undertake relate only to insurability and the premiums to be charged. We do not make safety inspections. We do not undertake to perform the duty of any person or organization to provide for the health or safety of workers or the public. And we do not warrant that conditions:
 - a. Are safe or healthful; or
 - b. Comply with laws, regulations, codes or standards.

3. Paragraphs 1. and 2. of this condition apply not only to us, but also to any rating, advisory, rate service or similar organization which makes insurance inspections, surveys, reports or recommendations.
4. Paragraph 2. of this condition does not apply to any inspections, surveys, reports or recommendations we may make relative to certification, under state or municipal statutes, ordinances or regulations, of boilers, pressure vessels or elevators.

E. Premiums

The first Named Insured shown in the Declarations:

1. Is responsible for the payment of all premiums; and
2. Will be the payee for any return premiums we pay.

F. Transfer Of Your Rights And Duties Under This Policy

Your rights and duties under this policy may not be transferred without our written consent except in the case of death of an individual named insured.

If you die, your rights and duties will be transferred to your legal representative but only while acting within the scope of duties as your legal representative. Until your legal representative is appointed, anyone having proper temporary custody of your property will have your rights and duties but only with respect to that property.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION OF CERTIFIED ACTS OF TERRORISM

This endorsement modifies insurance provided under the following:

BLANKET MORTGAGE SECURITY POLICY
DWELLING PROPERTY 3A AMENDED FORM
GENERAL PROPERTY AMENDED FORM
MORTGAGE SECURITY POLICY

State(s)	Coverage Form, Coverage Part Or Policy
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.	

Information required to complete this Schedule, if not shown above, will be shown on the Declarations.

A. The following definition is added with respect to the provisions of this endorsement:

"Certified act of terrorism" means an act that is certified by the Secretary of the Treasury, in accordance with the provisions of the federal Terrorism Risk Insurance Act, to be an act of terrorism pursuant to the federal Terrorism Risk Insurance Act. The criteria contained in the Terrorism Risk Insurance Act for a "certified act of terrorism" include the following:

1. The act resulted in insured losses in excess of \$5 million in the aggregate, attributable to all types of insurance subject to the Terrorism Risk Insurance Act; and
2. The act is a violent act or an act that is dangerous to human life, property or infrastructure and is committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

B. The following exclusion is added:

CERTIFIED ACT OF TERRORISM EXCLUSION

We will not pay for loss or damage caused directly or indirectly by a "certified act of terrorism". Such loss or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss.

C. **Exception Covering Certain Fire Losses**

The following exception to the exclusion in Paragraph B. applies only if indicated and as indicated in the Schedule of this endorsement.

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Copyright, Insurance Services Office, Inc., 2015

If a "certified act of terrorism" results in fire, we will pay for the loss or damage caused by that fire. Such coverage for fire applies only to direct loss or damage by fire to Covered Property. Therefore, for example, the coverage does not apply to insurance provided under Business Income and/or Extra Expense coverage forms or endorsements which apply to those forms, or to the Legal Liability Coverage Form or the Leasehold Interest Coverage Form.

If aggregate insured losses attributable to terrorist acts certified under the Terrorism Risk Insurance Act exceed \$100 billion in a calendar year and we have met our insurer deductible under the Terrorism Risk Insurance Act, we shall not be liable for the payment of any portion of the amount of such losses that exceeds \$100 billion, and in such case insured losses up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of the Treasury.

D. Application Of Other Exclusions

The terms and limitations of any terrorism exclusion, or the inapplicability or omission of a terrorism exclusion, do not serve to create coverage for any loss which would otherwise be excluded under this Coverage Part or Policy, such as losses excluded by the Nuclear Hazard Exclusion or the War And Military Action Exclusion.

MORTGAGE SECURITY
MSP 09 01 02 13

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

POLICY EXECUTION ENDORSEMENT

The Company has caused this policy to be signed by the President and Secretary. It is countersigned on the Declarations Page by our authorized representative(s) if required.



Secretary



President

Governor Michael L. Parson
State of Missouri



Department of Commerce
and Insurance
Chloria Lindley-Myers, Director

October 29, 2021

JAMES GERARD TOWOGROCKI
8909 LADUE RD

ST. LOUIS, MO 63124

NOTICE OF REJECTION OF SERVICE

Please find enclosed the summons petition and any accompanying documents or other pleadings, which were recently received by the Department of Commerce and Insurance. These pleadings are being returned to you because:

Name of the insurance company defendant in such pleading or documents is either incomplete or inaccurate, making proper service questionable. Therefore, you must advise the Court of the name of the specific company on which you want service.

The Department will endeavor to effect service of process pursuant to statute when the above defects are cured and the corrected documents are served on us.

Sincerely,

A handwritten signature in black ink, appearing to read "Debra Lee".

Debra Lee

Enclosure: NEIGHBORS CREDIT UNION v. INTEGRON NATIONAL INSURANCE COMPANY
St. Louis City Circuit Court, Case Number: 2122-CC09577

CC: St. Louis City Circuit Court

RECEIVED
NOV - 1 2021
22ND JUDICIAL CIRCUIT
CIRCUIT CLERK'S OFFICE
BY _____ DEPUTY

Entered
11-3-21
LK



Judge or Division: MICHAEL FRANCIS STELZER	Case Number: 2122-CC09577
Plaintiff/Petitioner: NEIGHBORS CREDIT UNION	Plaintiff's/Petitioner's Attorney/Address JAMES GERARD NOWOGROCKI 8909 LADUE RD ST. LOUIS, MO 63124
Defendant/Respondent: INTEGRON NATIONAL INSURANCE COMPANY	Court Address: CIVIL COURTS BUILDING 10 N TUCKER BLVD SAINT LOUIS, MO 63101
Nature of Suit: CC Breach of Contract	

(Date File Stamp)

Summons in Civil Case**The State of Missouri to: INTEGRON NATIONAL INSURANCE COMPANY****Alias:**C/O MISSOURI DEPT OF INSURANCE
301 WEST HIGH ST SUITE 630
JEFFERSON CITY, MO 65101**COLE COUNTY, MO****COURT SEAL OF****CITY OF ST. LOUIS**

You are summoned to appear before this court and to file your pleading to the petition, a copy of which is attached, and to serve a copy of your pleading upon the attorney for plaintiff/petitioner at the above address all within 30 days after receiving this summons, exclusive of the day of service. If you fail to file your pleading, judgment by default may be taken against you for the relief demanded in the petition.

October 22, 2021

Date

Clerk

Further Information:

Sheriff's or Server's Return**Note to serving officer:** Summons should be returned to the court within 30 days after the date of issue.

I certify that I have served the above summons by: (check one)

☐ delivering a copy of the summons and a copy of the petition to the defendant/respondent.☐ leaving a copy of the summons and a copy of the petition at the dwelling place or usual abode of the defendant/respondent with _____, a person of the defendant's/respondent's family over the age of 15 years who permanently resides with the defendant/respondent.☐ (for service on a corporation) delivering a copy of the summons and a copy of the complaint to:

_____ (name) _____ (title).

☐ other: _____

Served at _____ (address)

in _____ (County/City of St. Louis), MO, on _____ (date) at _____ (time).

Printed Name of Sheriff or Server

Signature of Sheriff or Server

Must be sworn before a notary public if not served by an authorized officer:

Subscribed and sworn to before me on _____ (date).

(Seal)

My commission expires: _____

Date

Notary Public

Sheriff's Fees, if applicable

Summons \$ _____

Non Est \$ _____

Sheriff's Deputy Salary

Supplemental Surcharge \$ 10.00

Mileage \$ _____ (_____ miles @ \$._____ per mile)

Total \$ _____A copy of the summons and a copy of the petition must be served on **each** defendant/respondent. For methods of service on all classes of suits, see Supreme Court Rule 54.

**IN THE CIRCUIT COURT OF THE CITY OF ST. LOUIS
STATE OF MISSOURI**

NEIGHBORS CREDIT UNION,)	
)	
Plaintiff,)	Case No. 2122-CC09577
)	
vs.)	Division 1
)	
INTEGON NATIONAL INSURANCE)	
COMPANY,)	
)	JURY TRIAL DEMANDED
Defendant.)	
)	
Serve: Integon National Insurance Company)	
c/o Director of Insurance)	
301 West High St., Suite 530)	
Jefferson City, MO 65101)	

FIRST AMENDED PETITION

Comes now Plaintiff Neighbors Credit Union and for its causes of action against Defendant Integon National Insurance Company states as follows:

1. Plaintiff Neighbors Credit Union is a credit union organized and existing under Missouri law with its principal place of business located in St. Louis County, Missouri.
2. Defendant Integon National Insurance Company is a corporation with its principal place of business located in Winston-Salem, North Carolina.
3. Defendant is an insurance company authorized to conduct insurance business in the State of Missouri and can be served with legal process upon the Missouri Department of Insurance.
4. This action pertains to an insurance policy issued by Defendant to Plaintiff providing various insurance coverage pertaining in part to the real property and improvements commonly known as 511 Withers Avenue located in the City of St. Louis, Missouri (the "Property").

5. This Court has jurisdiction over Defendant because it transacts insurance business in Missouri, and this action arises out of Defendant's making and breaching a contract of insurance pertaining to the subject Property located in Missouri.

6. Venue for this action is proper in this Court pursuant to § 508.010 RSMo in that Defendant is not a resident of the State of Missouri and Plaintiff's injuries were incurred in the City of St. Louis, Missouri.

General Allegations

7. Plaintiff became the owner of the Property on or about June 1, 2020 through a foreclosure sale instituted against the previous owner. Plaintiff owned the Property continuously until it was sold on August 4, 2021.

8. The Property consists of a land area of approximately 2.714 acres. At all times referred to herein, the Property contained a large single story, masonry and steel constructed building with a ground floor area of approximately 52,932 square feet plus approximately 700 square feet of office mezzanine space (hereafter collectively referred to as the "main building").

9. At the time of the claims described below, more than half of the main building space was suitable for telecommunications usage, with HVAC and other systems to control the climate of the space for computers and related electronic equipment. The main building contained heavy electric cooling systems, including extensive temperature control equipment and systems.

10. During December, 2020 and January, 2021, the Property and the main building were unoccupied.

11. During December, 2020 and January, 2021, there were four separate incidents in which one or more then unknown individuals entered the Property and main building without

permission or authority. These intruders broke into the main building at one or more different points of entry, such as breaking through or tearing down building doors.

12. Once inside the main building, the intruder(s), in part, broke into and exited various Liebert HVAC (heating, ventilation and air conditioning) systems affixed to and located in and upon the main building, gutted or damage electrical and mechanical components therein and other electrical systems, piping and parts. The Liebert HVAC equipment and system was a highly specialized configuration of equipment known for its precision and high-efficiency used, in part, to provide climate control for computers or other IT devices or products. The intruder(s) also removed copper wiring or piping within or associated with the Libert HVAC systems.

13. The intruder(s) broke into and exited three Dry Coolers affixed to the Property located immediately adjacent to the main building and connected to the building by large pipes. The Dry Coolers were an essential part of the HVAC system to maintain cooler temperatures in the main building. The Dry Coolers and Liebert HVAC systems performed essential functions to maintaining and operating the HVAC system for the main building.

14. The intruder(s) broke into bathroom fixtures in the main building, and damaged several toilets and sinks affixed to the main building; as well as doing extensive damage to pipes, ducts, electrical boxes and components, and other equipment, fixtures and machinery.

15. The intruder(s) also removed various copper piping or copper materials and a refrigerator, including cutting a hole through a wall to remove the refrigerator from the main building.

16. The intruder(s) damaged several main building doors and walls to gain access and exit from the main building.

17. Several photographs illustrating just some of the damage and destruction done in and upon the building are collectively attached as Exhibit 1.

18. At least three separate police incident reports were submitted on behalf of Plaintiff to the St. Louis Metropolitan Police Department regarding the damage and destruction done by the intruder(s).

19. In consideration of insurance premium payments made by Plaintiff to Defendant, at all times in December, 2020 and January, 2021 when the aforesaid four intrusions occurred, Plaintiff was the insured party under a “Blanket Mortgage Security” insurance policy number INM000C149 issued by Defendant that was then in full force and effect (the “Policy”). The Insurance Policy had been procured from and issued by Defendant, and in part provided certain insurance coverage for the “Building” located in and upon the 511 Withers Avenue Property. A true copy of the Blanket Mortgage Security Policy Declarations for coverage under the Policy is attached hereto as Exhibit 2 and incorporated herein by this reference.

20. The Policy provided more than \$2,000,000 of insurance coverage with a \$1,000 deductible for “vandalism and malicious mischief.”

21. In Section I of the “General Property Amended Form” portion of the written Policy, captioned “Property Covered,” the Policy defined the “Property Covered” by the Policy as follows:

SECTION I – PROPERTY COVERED

The insurance under this Policy covers “Building(s)” in accordance the following description(s) of coverage. This insurance does not cover land. Coverage A – Building(s): Building(s) or structure(s) shall include attached additions and extensions; fixtures, machinery and equipment constituting a permanent part of and pertaining to the service of the building; yard fixtures; personal property of the mortgagor used for the maintenance or service of the described building(s), including fire extinguishing apparatus, outdoor furniture, floor coverings and appliances for refrigerating, ventilating, cooking, dishwashing and laundering (but not

including other personal property in apartments or rooms furnished by the mortgagor as landlord); all while as the described location(s).

22. In Section III of the “General Property Amended Form” portion of the Policy captioned “Perils Insured Against,” the Policy provided in part as follows:

This Policy insures against all direct loss caused by:

1. **Fire....**

2. **Lightning....**

3. **Explosion....**

* * * *

8. **Vandalism**, meaning willful and malicious damage to, or destruction of, the described property.

We will not pay for loss or damage caused by or resulting from theft, except for building damage caused by the breaking in or exiting of burglars.

. * * * *

COUNT I **(BREACH OF INSURANCE CONTRACT)**

Comes now Plaintiff and for Count I of its Petition states as follows:

23. Plaintiff incorporates paragraphs 1 through 22 inclusive above as if fully restated and realleged herein.

24. Plaintiff duly submitted claims for Policy insurance coverage for the damage and destruction to the Property and main building, including the equipment, fixtures and machinery constituting a permanent part of and pertaining to the service of the main building, yard fixtures (and/or appliances for refrigeration and ventilation as referred to in the Policy) as described in paragraphs 12-14 above.

25. Defendant thereafter retained or engaged National General Lender Services to administer the claim on behalf of Defendant.

26. Said National General Lender Services, on behalf of Defendant, thereafter performed an incomplete, sloppy and faulty review and investigation of Plaintiff's claims, including constant delays, inspecting the building by its representative who was unfamiliar with the specialized HVAC fixtures, equipment and systems damaged and destroyed, failing to respond to communications, making multiple requests for information already provided, failing to timely review documentation provided, and misstating or mischaracterizing Plaintiff's claims.

27. Said National General Lender Service, on behalf of Defendant, in several letters dated August 3, 2021 to Plaintiff, denied Plaintiff's claims except for the tender of a check for \$317.21 (after application of \$1,000.00 as a deductible) for damage to a steel door and plywood. Plaintiff has not cashed that check.

28. In its aforesaid claim denial or partial denial letters submitted by National General Lender Service on behalf of Defendant, Defendant based its denials on the perfunctory statements that "theft is not covered by the policy" while disregarding the damage and destruction to the building, including the property set forth in paragraph 24 above.

29. In this action, Plaintiff is not seeking reimbursement for those items of tangible personal property stolen and removed from the Property by the burglars, i.e. copper materials, one small refrigerator, or other items of tangible personal property physically taken off the Property premises.

30. The conduct and actions of the intruder(s) in December, 2020 and January, 2021 as described above constituted "vandalism" covered under the Policy in that the intruder(s) did willful

and malicious damage to or destruction of portions of the insured Property, including the “Building” as defined under the Policy.

31. The Policy provides insurance coverage to the Building and structures, which are expressly defined to include “fixtures, machinery and equipment constituting a permanent part of and pertaining to the service of the building; yard fixtures; personal property of the mortgagor [Plaintiff] used for the maintenance or service of the described building(s), including fire extinguishing apparatus ... floor coverings and appliances for refrigerating, ventilations

32. The Dry Coolers, Lieber HVAC systems, electrical systems, ducts, bathroom fixtures and other tangible property damaged or destroyed by the intruder(s) in December, 2020 and January, 2021 were parts of the “building” as defined in the Policy.

33. Those items identified in paragraphs 12-14 and 16 above were damaged and/or destroyed by the intruders’ acts of vandalism as defined in the policy.

34. Those items identified in paragraphs 12-14 and 16 above were parts of the “Building” as defined in the policy, and were damaged and/or destroyed by the burglar(s) in the course of their breaking in or exiting the “Building.”

35. For example, the intruder(s) damaged or destroyed portions of the “Building” by breaking into and/or exiting the Dry Coolers and Lieber HVAC systems, and in doing so damaged in or destroyed other component parts or systems of the Dry Coolers and Liebert HVAC systems. The intruder(s) destroyed or substantially damaged those items, as well as associated pipes, ducts, and electrical systems.

36. In December, 2020 and January, 2021, and at all other relevant times, Plaintiff met the conditions for coverage under the Policy and the Policy was in full force and effect.

37. Prior to Defendant's aforesaid August 3, 2021 denials of coverage for the overwhelming portion of the damage and loss to the Building, Plaintiff had furnished documentation to Plaintiff that the costs to repair or replace the damage to the Building was in excess of One Million Dollars.

38. Defendant has failed and refused to reimburse Plaintiff for its covered losses under the Policy, and Plaintiff is entitled to receive interest on the total amount of its loss at the rate of nine percent (9%) per annum from and after August 3, 2021.

39. As a result of Defendant's aforesaid breach of the insurance contract, Plaintiff has been damaged by Defendant's failure and refusal to pay for the damage and destruction done to and upon the Building, which failure also diminished the fair market value of the Property and the improvements thereon.

WHEREFORE, Plaintiff Neighbors Credit Union prays for judgment against Defendant Integon National Insurance Company on Count I for an amount that is fair and reasonable due to Defendant's breach of the insurance contract, for interest at the rate of nine percent (9%) per annum from August 3, 2021, for Plaintiff's costs incurred, and for such further relief as the Court deems just and proper in the premises.

COUNT II
(VEXATIOUS REFUSAL)

Comes now Plaintiff and for Count II of its Petition states as follows:

40. Plaintiff incorporates a paragraphs 1-22 and 29-39 above as if fully restated and realleged herein.

41. Plaintiff duly submitted claims for Policy insurance coverage for the damage and destruction to the Property and main building, including the equipment, fixtures and machinery

constituting a permanent part of and pertaining to the service of the main building, as described above.

42. Defendant thereafter retained or engaged National General Lender Services to administer the claim on behalf of Defendant.

43. Said National General Lender Services, on behalf of Defendant, thereafter performed an incomplete, sloppy and faulty review and investigation of Plaintiff's claims, including constant delays, failing to respond to communications, making multiple requests for information already provided, inspecting the building by its representative who was unfamiliar with the specialized HVAC fixtures, equipment and systems damaged and destroyed, failing to timely review documentation provided, and misstating or mischaracterizing Plaintiff's claims.

44. Said National General Lender Service, on behalf of Defendant, in several letters dated August 3, 2021 to Plaintiff, denied Plaintiff's claims except for the tender of a check for \$317.21 (after application of a \$1,000.00 deductible) for damage to a steel door and plywood.

45. In its aforesaid claim denial or partial denial letters submitted by National General Lender Service on behalf of Defendant, Defendant based its denials on the perfunctory statements that "theft is not covered by the policy" while disregarding the damage and destruction to the Property, including the "Building" as defined under the Policy.

46. Defendant's breach of contract in denying virtually all of Plaintiff's claims was without reasonable cause or excuse and was vexacious so as to make Defendant liable to Plaintiff under Missouri vexacious refusal statutes, §§ 375.296 and 375.420 RSMo. Defendant's aforesaid vexacious denial was also evidence by the faulty, defective and inadequate investigation of Plaintiff's claims leading up to the denials of coverage.

47. As a result of Defendant's aforesaid vexatious conduct, Plaintiff is entitled to recover its reasonable attorney's fees and statutory penalties of twenty percent (20%) of the first One Thousand Five Hundred dollars of loss, and ten percent (10%) of the amount of the loss in excess of One Thousand Five Hundred Dollars.

WHEREFORE, Plaintiff Neighbors Credit Union prays for judgment against Defendant Integon National Insurance Company on Count II for an amount that is fair and reasonable due to Defendant's breach of the insurance contract, for statutory penalties, for Plaintiff's reasonable attorneys' fees, for Plaintiff's costs incurred, and for such further relief as the Court deems just and proper in the premises.

Respectfully submitted,

SUMMERS COMPTON WELLS LLC

/s/ James G. Nowogrocki

James G. Nowogrocki #38559

/s/ Stephen C. Hiotis

Stephen C. Hiotis, #30840

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Attorneys for Plaintiff

PLAINTIFF'S EXHIBIT 1









PLAINTIFF'S EXHIBIT 2

Integon National Insurance Company
Winston-Salem, NC

BLANKET MORTGAGE SECURITY POLICY DECLARATIONS

POLICY NUMBER: INM000C149

NAMED INSURED: Neighbors Credit Union
6300 S Lindbergh Blvd
Saint Louis, MO 63123

AGENT: van Wagenen Financial Services
PO BOX 390831
Minneapolis, MN 55439-0831

LENDER NUMBER: 9447

AGENT NUMBER: 991917

POLICY PERIOD: From 5/3/2019 To Continuous Until Cancelled
(12:01 a.m. Standard Time At the Address of The Insured Property)

COVERAGE: All Limits, Deductibles and Rates are shown on the attached Rate Schedule.

COVERAGE

INFORMATION: **Property Insured:** Coverage applies only to eligible real properties (Buildings) upon Which you have requested we provide coverage, for which you have paid a premium and in which you have an insurable interest as mortgagee or as the servicing agent by written agreement. This insurance does not cover land.

Coverage Provided: All coverages, terms, and conditions for residential property are set forth in this Blanket Mortgage Security Policy and the attached Dwelling Property Amended Form. All coverages, terms and conditions for commercial property are set forth in this Blanket Mortgage Security Policy and the attached General Property Amended Form. All coverages, terms and conditions for Manufactured Homes are set forth in this Blanket Mortgage Security Policy and the attached manufactured Home Amended Form.

Maximum Amount of Insurance: The Maximum Amount of Insurance shall be the lesser of the amount shown on your request for insurance reflected on the monthly reports described in General Provision M. of this policy, or \$ *please refer to the rate schedule for specific values* for residential property and \$ *please refer to the rate schedule for specific values* for commercial property.

Premium Rate: The premium for each insured property shall be computed by applying the following rate per hundred per year to the Amount of Insurance applicable to each insured property.

TAXES AND FEES: N/A

ENDORSEMENTS: MSP 98 01 02 13 / MSP 00 01 02 13 / MSP 00 03 02 13 / MSP 00 04 02 13 /
MSP 03 02 02 13 / MSP 99 04 02 13 / MSP 04 01 02 13 / MSP 04 03 02 13 / MSP 04 04 02 13 /
MSP 17 02 02 13 / IL 00 17 / IL 09 53 / MSP 09 01 02 13

Date Countersigned: 7/1/2019

Agent


Authorized Representative

MORTGAGE SECURITY RATE SCHEDULE

LENDER PLACED RESIDENTIAL AND COMMERCIAL OCCUPIED/VACANT REO RESIDENTIAL AND COMMERCIAL OCCUPIED/VACANT

DWELLING/BUILDING:

Company Limit	Deductible	Rate
\$5,000,000	See below	See below

DEDUCTIBLE:

Residential Property	\$100 / \$500 VMM per occurrence all perils except Wind & Hail
Commercial Property	\$500 / \$1,000 VMM per occurrence all perils except Wind & Hail
Wind & Hail	A deductible of \$2,500 or 2% of the insured value shall apply.

RATES: All states EXCEPT; CA, FL, IN, LA, MN, MS, NY, OK, SC, TX, WA

Mortgage Fire:	\$1.00 per \$100 Residential Occupied or Vacant
	\$1.50 per \$100 Commercial Occupied or Vacant
	\$0.35 per \$100 Personal Contents
	\$1.40 per \$100 Commercial Contents

EXCEPTION STATE RATES:

CA Mortgage Fire:	\$0.55 per \$100 Residential Occupied or Vacant
	\$0.90 per \$100 Commercial Occupied or Vacant
	\$0.25 per \$100 Personal Contents
	\$1.05 per \$100 Commercial Contents
FL Terr 50 Mortgage Fire:	\$0.67 per \$100 Residential Occupied or Vacant
	\$1.01 per \$100 Mobile Homes Occupied or Vacant
	\$0.35 per \$100 Personal Contents
	\$1.01 per \$100 Commercial Occupied
	\$2.01 per \$100 Commercial Vacant
	\$1.40 per \$100 Commercial Contents
FL Terr 51 Mortgage Fire:	\$1.07 per \$100 Residential Occupied or Vacant
	\$1.61 per \$100 Mobile Homes Occupied or Vacant
	\$0.35 per \$100 Personal Contents
	\$1.61 per \$100 Commercial Occupied
	\$3.21 per \$100 Commercial Vacant
	\$1.40 per \$100 Commercial Contents

FL Terr 52 Mortgage Fire:	\$0.77 per \$100 Residential Occupied or Vacant \$1.16 per \$100 Mobile Homes Occupied or Vacant \$0.35 per \$100 Personal Contents \$1.16 per \$100 Commercial Occupied \$2.31 per \$100 Commercial Vacant \$1.40 per \$100 Commercial Contents
FL Terr 53 Mortgage Fire:	\$0.90 per \$100 Residential Occupied or Vacant \$1.35 per \$100 Mobile Homes Occupied or Vacant \$0.35 per \$100 Personal Contents \$1.35 per \$100 Commercial Occupied \$2.70 per \$100 Commercial Vacant \$1.40 per \$100 Commercial Contents
FL Terr 54 Mortgage Fire:	\$1.32 per \$100 Residential Occupied or Vacant \$1.98 per \$100 Mobile Homes Occupied or Vacant \$0.35 per \$100 Personal Contents \$1.98 per \$100 Commercial Occupied \$3.96 per \$100 Commercial Vacant \$1.40 per \$100 Commercial Contents
FL Terr 55 Mortgage Fire:	\$2.60 per \$100 Residential Occupied or Vacant \$3.90 per \$100 Mobile Homes Occupied or Vacant \$0.35 per \$100 Personal Contents \$3.90 per \$100 Commercial Occupied \$7.80 per \$100 Commercial Vacant \$1.40 per \$100 Commercial Contents
IN Mortgage Fire:	\$0.88 per \$100 Residential Occupied or Vacant \$1.32 per \$100 Commercial Occupied or Vacant \$0.35 per \$100 Personal Contents \$1.40 per \$100 Commercial Contents
LA Mortgage Fire:	\$1.00 per \$100 Residential Occupied or Vacant \$1.50 per \$100 Commercial Occupied or Vacant \$0.35 per \$100 Personal Contents \$1.40 per \$100 Commercial Contents
LA Terr 52 Mortgage Fire:	\$2.00 per \$100 Residential Occupied or Vacant \$3.00 per \$100 Commercial Occupied or Vacant \$0.35 per \$100 Personal Contents \$1.40 per \$100 Commercial Contents
MN Mortgage Fire:	\$0.57 per \$100 Residential Occupied or Vacant \$0.86 per \$100 Commercial Occupied or Vacant \$0.35 per \$100 Personal Contents \$1.40 per \$100 Commercial Contents
MS Mortgage Fire:	\$1.00 per \$100 Residential Occupied or Vacant \$1.50 per \$100 Commercial Occupied or Vacant \$0.35 per \$100 Personal Contents \$1.40 per \$100 Commercial Contents

MS Terr 52 Mortgage Fire:		\$1.36 per \$100 Residential Occupied or Vacant \$2.04 per \$100 Commercial Occupied or Vacant \$0.35 per \$100 Personal Contents \$1.40 per \$100 Commercial Contents
NY	Mortgage Fire: REO Lender Placed	\$0.91 per \$100 Residential Occupied or Vacant \$0.72 per \$100 Residential Occupied or Vacant \$1.55 per \$100 Commercial Occupied or Vacant \$0.35 per \$100 Personal Contents \$1.40 per \$100 Commercial Contents
OK	Mortgage Fire:	\$1.36 per \$100 Residential Occupied or Vacant \$1.50 per \$100 Commercial Occupied or Vacant \$0.35 per \$100 Personal Contents \$1.40 per \$100 Commercial Contents
SC	Mortgage Fire:	\$1.00 per \$100 Residential Occupied or Vacant \$1.50 per \$100 Commercial Occupied or Vacant \$0.35 per \$100 Personal Contents \$1.40 per \$100 Commercial Contents
SC Terr 52 Mortgage Fire:		\$1.15 per \$100 Residential Occupied or Vacant \$1.73 per \$100 Commercial Occupied or Vacant \$0.35 per \$100 Personal Contents \$1.40 per \$100 Commercial Contents
TX	Mortgage Fire:	\$1.10 per \$100 Residential Occupied or Vacant \$1.65 per \$100 Commercial Occupied or Vacant \$0.39 per \$100 Personal Contents \$1.55 per \$100 Commercial Contents
TX Terr 52 Mortgage Fire:		\$2.23 per \$100 Residential Occupied or Vacant \$3.35 per \$100 Commercial Occupied or Vacant \$0.39 per \$100 Personal Contents \$1.55 per \$100 Commercial Contents
WA	Mortgage Fire:	\$1.10 per \$100 Residential Occupied or Vacant \$1.64 per \$100 Commercial Occupied \$3.29 per \$100 Commercial Vacant \$0.38 per \$100 Personal Contents \$1.53 per \$100 Commercial Contents

GSE RATES:

Residential Only:	15% Rate credit for coverage less than \$100,000
	17% Rate credit for coverage greater than \$100,000 up to and including \$250,000
	17.5% Rate credit for coverage greater than \$250,000

GSE DEDUCTIBLE:

Residential Only:	\$1,000 per occurrence for coverage less than \$100,000
	\$2,000 per occurrence for coverage more than \$100,000 up to and including \$250,000
	\$2,500 per occurrence for coverage greater than \$250,000

MINE SUBSIDENCE ENDORSEMENT

OHIO MINE SUBSIDENCE

LIMIT: Equal to the amount of Insurance carried on the Dwelling subject to a maximum limit of \$300,000.00. No coverage for Land, Trees, Plants Crops, Contents, Barns, and Commercial and Industrial Buildings.

RATES: \$1.00 per Year - Mandatory in the following Counties: Athens, Belmont, Carroll, Columbiana, Coshocton, Gallia, Guernsey, Harrison, Hocking, Holmes, Jackson, Jefferson, Lawrence, Mahoning, Meigs, Monroe, Morgan, Muskingum, Nobel, Perry, Scioto, Stark, Trumbull, Tuscarawas, Vinton and Washington

\$5.00 per Year - Optional in the following Counties: Delaware, Erie, Geauga, Lake, Licking, Medina, Ottawa, Portage, Preble, Summit and Wayne.

DEDUCTIBLE: 2% of the Dwelling Limit, Minimum of \$250 and Maximum of \$500

ALL OTHER TERMS AND CONDITIONS OF THE POLICY REMAIN UNCHANGED.

KENTUCKY MINE SUBSIDENCE

LIMIT: Equal to the amount of Insurance carried on the Structure subject to a maximum limit if \$300,000.00. Mobile Homes are NOT considered Structures. No coverage for Land, Trees, Plants or Crops.

MANDATORY COUNTIES:

Bell	Boyd	Breathitt	Butler	Carter	Christian
Clay	Daviess	Edmonson	Elliott	Floyd	Greenup
Hancock	Harlan	Henderson	Hopkins	Jackson	Johnson
Knott	Knox	Laurel	Lawrence	Lee	Leslie
Letcher	McCreary	McLean	Martin	Morgan	Muhlenberg
Ohio	Owsley	Perry	Union	Webster	Whitney
					Wolfe

RATES:

THE FOLLOWING RATES APPLY:

COMMONWEALTH OF KENTUCKY COAL MINE SUBSIDENCE RATES			
Mine Subsidence	Premium		
	Residential		Commercial
Up to \$50,000		\$10.00	\$15.00
\$50,001 to \$60,000		\$12.00	\$17.00
\$60,001 to \$70,000		\$14.00	\$19.00
\$70,001 to \$80,000		\$16.00	\$21.00
\$80,001 to \$90,000		\$18.00	\$23.00
\$90,001 to \$100,000		\$20.00	\$25.00
\$100,001 to \$110,000		\$22.00	\$27.00
\$110,001 to \$120,000		\$24.00	\$29.00
\$120,001 to \$130,000		\$26.00	\$31.00
\$130,001 to \$140,000		\$28.00	\$33.00
\$140,001 to \$150,000		\$30.00	\$35.00
\$150,001 to \$160,000		\$32.00	\$37.00
\$160,001 to \$170,000		\$34.00	\$39.00
\$170,001 to \$180,000		\$36.00	\$41.00
\$180,001 to \$190,000		\$38.00	\$43.00
\$190,001 to \$200,000		\$40.00	\$45.00
\$200,001 to \$210,000		\$42.00	\$47.00
\$210,001 to \$220,000		\$44.00	\$49.00
\$220,001 to \$230,000		\$46.00	\$51.00
\$230,001 to \$240,000		\$48.00	\$53.00
\$240,001 to \$250,000		\$50.00	\$55.00
\$250,001 to \$260,000		\$52.00	\$57.00
\$260,001 to \$270,000		\$54.00	\$59.00
\$270,001 to \$280,000		\$56.00	\$61.00
\$280,001 to \$290,000		\$58.00	\$63.00
\$290,001 to \$300,000		\$60.00	\$65.00

DEDUCTIBLE: 2% of the Dwelling Limit, Minimum of \$250 and Maximum of \$500

ALL OTHER TERMS AND CONDITIONS OF THE POLICY REMAIN UNCHANGED.

WEST VIRGINIA MINE SUBSIDENCE

LIMIT: Equal to the amount of Insurance carried on the Structure not to exceed \$200,000. Unanchored Mobile Homes are NOT considered Structures. No coverage for Land, Trees, Plants or Crops. No Personal effects coverage.

MANDATORY COUNTIES:

Berkeley	Cabell	Calhoun	Hampshire	Hardy	Jackson
Jefferson	Monroe	Morgan	Pendleton	Pleasant	Ritchie
Roane	Wirt	Wood			

RATES

Amount of Coal Mine Subsidence on the Structure	Premium Dwelling Structure	Premium Non Dwelling Structure
\$10,000 or less	\$10.00	\$20.00
\$10,001 to \$15,000	\$11.00	\$22.00
\$15,001 to \$20,000	\$12.00	\$24.00
\$20,001 to \$25,000	\$13.00	\$26.00
\$25,001 to \$30,000	\$14.00	\$28.00
\$30,001 to \$35,000	\$15.00	\$30.00
\$35,001 to \$40,000	\$16.00	\$32.00
\$40,001 to \$45,000	\$17.00	\$34.00
\$45,001 to \$50,000	\$18.00	\$36.00
\$50,001 to \$55,000	\$19.00	\$38.00
\$55,001 to \$60,000	\$20.00	\$40.00
\$60,001 to \$65,000	\$21.00	\$42.00
\$65,001 to \$70,000	\$22.00	\$44.00
\$70,001 to \$75,000	\$23.00	\$46.00
\$75,001 to \$80,000	\$24.00	\$48.00
\$80,001 to \$85,000	\$25.00	\$50.00
\$85,001 to \$90,000	\$26.00	\$52.00
\$90,001 to \$95,000	\$27.00	\$54.00
\$95,001 to \$100,000	\$28.00	\$56.00
\$100,001 to \$105,000	\$29.00	\$58.00
\$105,001 to \$110,000	\$31.00	\$60.00
\$110,001 to \$115,000	\$32.00	\$62.00
\$115,001 to \$120,000	\$33.00	\$64.00
\$120,001 to \$125,000	\$34.00	\$66.00
\$125,001 to \$130,000	\$35.00	\$68.00
\$130,001 to \$135,000	\$36.00	\$70.00
\$135,001 to \$140,000	\$37.00	\$72.00
\$140,001 to \$145,000	\$38.00	\$74.00
\$145,001 to \$150,000	\$39.00	\$76.00
\$150,001 to \$155,000	\$40.00	\$78.00
\$155,001 to \$160,000	\$41.00	\$80.00
\$160,001 to \$165,000	\$42.00	\$82.00
\$165,001 to \$170,000	\$43.00	\$84.00
\$170,001 to \$175,000	\$44.00	\$86.00
\$175,001 to \$180,000	\$45.00	\$88.00
\$180,001 to \$185,000	\$46.00	\$90.00
\$185,001 to \$190,000	\$47.00	\$92.00
\$190,001 to \$195,000	\$48.00	\$94.00
\$195,001 to \$200,000	\$49.00	\$96.00

DEDUCTIBLE: 2% of the Dwelling Limit, Minimum of \$250 and Maximum of \$500

ALL OTHER TERMS AND CONDITIONS OF THE POLICY REMAIN UNCHANGED.

MORTGAGE SECURITY
MSP 00 01 02 13

MORTGAGE SECURITY POLICY

INSURING AGREEMENT

We will provide the insurance described in this Policy in return for the premium and compliance with all applicable provisions of this Policy. Coverage shall apply to all residential and commercial property for which a specific request for coverage is received from you in accordance with procedures herein defined.

DEFINITIONS

Throughout this Policy:

- A. "You" and "your" refer to the financial institution shown in item 1. of the Policy Declarations as the Named Insured Mortgagee.
- B. "We", "us" and "our" refer to the Company providing this insurance.
- C. "Policy" shall include the Blanket Mortgage Security Policy and all coverage forms and endorsements attached.

GENERAL PROVISIONS

- A. **Term:** Coverage shall apply to each insured property from the effective date requested by you upon payment of premium. If the property afforded insurance by this Policy is also covered by other insurance terminating at noon on the inception date of our coverage, insurance under this Policy shall not become effective until such other insurance has terminated.
- B. **Property Insured:** Coverage applies only to eligible properties upon which you have requested we provide coverage, for which you have paid a premium and in which you have an insurable interest as mortgagee, or as the servicing agent by written agreement.
 - 1. Residential – Buildings used exclusively for personal family housing purposes for 1 to 4 families.
 - 2. Commercial – Buildings used for multi-family housing purposes for 5 or more families, and all other occupancies.
 - 3. Personal Property – Residential and Business Personal Property are eligible for

coverage if a limit and premium are shown in the Declarations page.

- C. **Coverage Provided:** This Policy insures against direct physical loss or damage to insured property. All coverages, terms and conditions for residential property are as set forth in this Mortgage Security Policy and the attached Dwelling Property Amended Form. All coverages, terms and conditions for commercial property are as set forth in this Mortgage Security Policy and the attached General Property Amended Form.
- D. **Limits of Recovery:** Our liability shall not exceed the least of the following after application of the deductible stated in this Policy:
 - 1. The amount stated on the policy declarations for each location of mortgaged residential, mortgaged commercial property insured by this policy.
 - 2. The amount of insurance specifically requested in your application for coverage under this Policy.
 - 3. The settlement options stated in Dwelling Property amended Form applicable to residential property and General Property Amended Form applicable to commercial property attached to this Policy.
- E. **Deductible:** For each loss covered under this Policy, we shall be liable for loss only in excess of the appropriate deductible specified on the Declarations page which shall not be recoverable under this Policy.
- F. **Other Insurance:** THIS INSURANCE IS EXCESS INSURANCE. If there is any other valid and collectible insurance which would attach if the insurance provided under this Policy had not been effected, this insurance shall apply only as excess insurance and in no event as contributing insurance, and then only after all other insurance has been exhausted.
- G. **Loss Payable:** Loss, if any, shall be made payable to you as your interest appears.
- H. **Salvage and Recoveries:** When, in connection with any loss covered by this Policy, any salvage

or recovery is received subsequent to the payment of such loss, the loss shall be refigured on the basis on which it would have been settled had the amount of salvage or recovery been known at the time the amount of loss was originally determined. Any amounts thus found to be due any party shall be promptly paid.

I. Inspection and Audit: We shall be permitted at all reasonable times to inspect the insured property and to examine you and/or the mortgagor's books and records at any time during the currency of this Policy. Within one year after final settlement of any claim we shall be permitted at all reasonable times to examine you and/or the mortgagor's books and records so far as the books and records relate to any payments made because of losses happening during the term of this Policy. We waive no rights and undertake no responsibility by reason of such inspection or examination or the omission thereof. We shall also be permitted at all reasonable times to audit your records to verify the number of existing loans for which renewal policies have not been received.

J. Reinstatement: A loss to the property reduces the Limits of Recovery by the amount of the loss. Upon repair or replacement of the property, the Limits of Recovery will return to their original amount.

K. Request for Coverage: When you desire coverage on any real property in which you have an insurable interest, you will request insurance by providing us with the following information: loan number, name and address of mortgagor, address of property to be insured, class of property, effective date and amount of insurance requested. Coverage shall automatically become effective upon receipt of request for coverage and payment of premium and shall remain in force until terminated by either you or us.

L. Cancellation and Nonrenewal:

1. You may cancel coverage on any individual location by notifying us of the desired effective date of cancellation not prior to the effective date of mortgage provided insurance which meets the requirements of your loan agreement, but no more than 120 days prior to the date of notification to us, without approval of the company.

2. You may cancel this policy at any time by returning it to us or by notifying us in writing of the date cancellation is to take effect, but no more than 120 days prior to the date of notification to us, without the approval of the company.

3. We may cancel this Policy or coverage on any individual location by giving you at least 30 days advance written notice of the date cancellation is to take effect, with the exception of cancellation for nonpayment of premium which shall be a minimum of 10 days advance written notice.

4. Cancellation shall be processed immediately and any return premiums shall be reflected in the next monthly report and premium billing. The return premium will be pro-rata.

5. Cancellation of this policy by either you or us will not affect coverage on any individual location insured under this policy. Coverage on individual locations shall remain in force until expiration unless sooner cancelled.

6. We may elect not to renew this Policy. We may do so by delivery to you or mailing to you at your mailing address shown in the Declarations, written notice at least 30 days before the expiration date of this Policy. Proof of mailing shall be sufficient proof of notice. Our failure to send such a notice within the time prescribed obligates us to renew coverages if you pay the premium before the expiration date.

M. Reports and Premium Billings: Within 10 days of the last day of each month, you will provide a complete listing of all properties upon which coverage is provided showing loan number, name and address of mortgagor, address of insured property, class of property, coverage effective date, amount of insurance requested, cancellation date (if applicable). If you are required to calculate premium, payment of total net premium is due and payable with this report.

N. Concealment and Fraud: This entire Policy is void if you or the mortgagor has intentionally concealed or misrepresented any material fact or circumstance relating to any aspect of this insurance or acted fraudulently or made false statements relating to any aspect of this insurance, whether before or after a loss. Such acts or act by the mortgagor will bar recovery by any person except as provided in this Policy with respect to your interest.

O. You and the Mortgagor's Duties After Loss:

In case of a loss to which this insurance may apply, you and the mortgagor shall see that the following duties are performed:

1. give us immediate written notice;
2. protect the property from further damage, making necessary and reasonable repairs to protect the property, and keep an accurate record of repair expenditures. If you or the mortgagor fail to do so, we will not pay for any further damage. We will not reimburse for the costs of repairs unless records and receipts are provided;
3. make a list of all damaged or destroyed property showing in detail quantities, costs, actual cash value, amount of loss claimed and any other information we may require. Attach all bills, receipts and related documents that substantiate the figures in the list;
4. send to us within 60 days after loss the above list and a proof of loss signed and sworn to by you and the mortgagor, including:
 - 1) the time and cause of loss;
 - 2) the interest of you, the mortgagor and all others in the property;
 - 3) all encumbrances on the property;
 - 4) other insurance which may cover the loss;
 - 5) changes in title, use occupancy or possession of the property; and
 - 6) if required, any plans and specifications of the damaged buildings.
5. exhibit the damaged property to us or our representative as often as may be required;
6. as often as we may require, submit to examinations under oath by any person named by us and sign the transcript of the examinations;
7. produce for examination, with permission to copy, all records and documents that we may require;
8. in the event of a loss by theft, vandalism or malicious mischief, report the occurrence to the police immediately.

P. Loss Settlement: Covered Property Losses are settled as follows:

1. Residential
 - a) Other Structures that are not buildings at actual cash value at the time of loss

but not exceeding the amount necessary to repair or replace;

- b) Roofs (except for fire peril), carpeting, domestic appliances, awnings, outdoor equipment, whether or not attached to buildings, and outdoor antennas, at actual cash value at the time of loss but not exceeding the amount necessary to repair or replace;

c) Buildings under Coverage A or B:

- 1) at repair or replacement cost without deduction for depreciation, but not exceeding the smaller of the following amounts:

- a. the repair or replacement cost of that part of the building damaged using commonly used building materials to place the property in a habitable condition for use on the same premises; or

- b. the amount actually and necessarily spent to repair or replace the damaged building.

- 2) If you decide not to repair or replace the damaged property, at our option, we may make settlement on an actual cash value basis. You may make claim within 180 days after the loss for any additional payment on a repair or replacement cost basis.

2. Commercial

- a) All property except Tenant's Improvements and Betterments at actual cash value except as provided below or by endorsement.

b) Tenant's Improvements and Betterments:

- (1) If repaired or replaced at the expense of you or the mortgagor within a reasonable time after loss, the actual cash value of the damaged or destroyed improvements and betterments limit.

- (2) If not repaired or replaced at the expense of you or the mortgagor within a reasonable time after loss, that proportion of the original cost at the time of installation of the damaged or destroyed property which the unexpired term of the lease or rental agreement, whether written or oral, in effect at the time of

loss bears to the periods from the date such improvements or betterments were made to the expiration of the lease.

Q. Loss to a Pair, Set, Series of Objects or Interior or Exterior Panels: In case of loss to a pair or set we may elect to:

1. Repair or replace any part to restore the pair or set to its value before the loss; or
2. Pay the difference between actual cash value of the property before and after the loss.

We cannot guarantee the availability of parts or of replacements. We will not be obligated to repair or replace the entire pair, set or series of objects, piece or panel when a part is lost or damaged.

R. Glass Replacement: Covered loss to glass shall be settled on the basis of replacement with safety glazing materials when required by ordinance or law.

S. Appraisal: If you and we fail to agree on the amount of loss, either may demand an appraisal of the loss. In this event, each party will choose a competent and impartial appraiser within 20 days after receiving a written request from the other. The two appraisers will choose an umpire. If they cannot agree upon an umpire within 15 days, you or we may request that the choice be made by a judge of a court of record in the state where the Described Location is located. The appraisers will separately set the amount of loss. If the appraisers submit a written report of an agreement to us, the amount agreed upon will be the amount of loss. If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will set the amount of loss.

Each party will:

1. Pay its own appraiser; and
2. Bear the other expenses of the appraisal and umpire equally.

T. Subrogation. You or the mortgagor may waive in writing before a loss all rights of recovery against any person. If not waived, we may require an assignment of rights of recovery for a loss to the extent that payment is made by us. If an assignment is sought, you and the mortgagor shall sign and deliver all related papers and cooperate with us in any reasonable manner.

U. Suit Against Us. No action can be brought against us unless there has been full compliance with all of the terms under this policy and the action is started within two years after the date of loss.

V. Abandonment of Property: We need not accept any property abandoned by you or the mortgagor.

W. No Benefit to Bailee: We will not recognize any assignment or grant any coverage that benefits a person or organization holding, storing or moving property for a fee regardless of any other provision of this policy.

X. Liberalization Clause: If we adopt any revision which would broaden the coverage under this Policy without additional premium within 60 days prior to or during the Policy period, the broadened coverage will immediately apply to this Policy.

Y. Waiver or Change of Policy Provisions: A waiver or change of any provision of this Policy must be in writing by us to be valid.

Z. Assignment: Assignment of this Policy shall not be valid unless we give our written consent.

AA. Your Interest:

1. Your interest will not be impaired by any act or neglect of the mortgagor, provided you:
 - a) notify us of any change in occupancy, ownership, or substantial change in risk as soon as you become aware of such change; and
 - b) pay any premium when due under this Policy.
2. If we pay you for any loss and do not pay the mortgagor,
 - a) we are subrogated to all of your rights granted under the mortgage on the property and may require a partial assignment of the mortgage to the extent of payment made; or
 - b) at our option, we may pay you the whole principal on the mortgage plus any accrued interest. In this event, we will receive a full assignment and transfer of the mortgage and all securities held as collateral to the debt.

Subrogation will not impair your right to recover the full amount of your claim.

BB. Nuclear Hazard Clause:

1. "Nuclear Hazard" means any nuclear reaction, radiation or radioactive contamination, all whether controlled or uncontrolled or however caused, or any consequence of any of these.
2. Loss caused by the nuclear hazard shall not be considered loss caused by fire, explosion or smoke, whether these perils are specifically named in or otherwise included within the Perils Insured Against.
3. This Policy does not apply to loss caused directly or indirectly by nuclear hazard, except that direct loss by fire resulting from the nuclear hazard is covered.

CC. Our Option: We may at our option replace the property with property of similar kind, quality and value. If as the result of your loss we pay in cash or by replacement an amount equal to the actual cash value of the property before the loss, at our option, we have the right to take legal title to the property.

DWELLING PROPERTY 3A AMENDED FORM**AGREEMENT**

We will provide the insurance described in this Policy in return for the premium and compliance with all applicable provisions of this Policy.

DEFINITIONS

1. Throughout this Policy, "you" and "your" refer to the Named Insured Mortgagee shown in the Declarations. "We" "us" and "our" refer to the Company providing this insurance.
2. "Dwelling" means any building used exclusively for personal family housing purposes for 1 to 4 families.

COVERAGES

This insurance applies to the requested location. This insurance does not cover land.

A. COVERAGE A – DWELLING

We cover:

1. the dwelling on the requested location, used principally for dwelling purposes;
2. structures attached to the dwelling;
3. materials and supplies on or adjacent to the requested location for use in the construction, alteration or repair of the dwelling or Other Structures on this location; and
4. building equipment and outdoor equipment used for the service of and located on the requested location.

B. COVERAGE B – OTHER STRUCTURES

We cover Other Structures on the requested location, separated from the dwelling by clear space. Structures connected to the dwelling by only a fence, utility line or similar connection are considered to be Other Structures. You may use up to 10% of the Coverage A Limit of Recovery for loss by a Peril Insured Against to Other Structures described in this Coverage B. Payment under this coverage reduces the Coverage A Limit of Recovery.

We do not cover structures:

1. used in whole or in part for commercial, manufacturing or farming purposes; or
2. rented to or held for rental for any person not a tenant of the dwelling, unless used solely as a private garage; or
3. such as fences, satellite dishes, antennas, or radio and television towers separated from the dwelling.

C. OTHER COVERAGES

1. **Debris Removal** - We will pay the reasonable expenses incurred for the removal of debris from a property loss covered by this Policy. Payment under this coverage reduces the Limit of Recovery applying to the damaged property.

2. Reasonable Repairs

- a. In the event that covered property is damaged by a Peril Insured Against, we will pay the reasonable cost incurred by you for necessary measures taken solely to protect against further damage.
- b. If the measures taken involve repair to other damaged property, we will pay for those measures only if that property is covered under this policy and the damage to that property is caused by a Peril Insured Against. This coverage does not:

- (1) Increase the limit of liability that applies to the covered property; or
- (2) Relieve you of your duties, in case of a loss to covered property, as set forth in Condition Your and the Mortgagor's Duties After Loss.

3. Collapse

- a. With respect to this Other Coverage:
 - (1) Collapse means an abrupt falling down or caving in of a building or any part of a building with the result that the building or part of the building cannot be occupied for its current intended purpose.

- (2) A building or any part of a building that is in danger of falling down or caving in is not considered to be in a state of collapse.
 - (3) A part of a building that is standing is not considered to be in a state of collapse even if it has separated from another part of the building.
 - (4) A building or any part of a building that is standing is not considered to be in a state of collapse even if it shows evidence of cracking, bulging, sagging, bending, leaning, settling, shrinkage or expansion.
- b. We insure for direct physical loss to covered property involving collapse of a building or any part of a building if the collapse was caused by one or more of the following:
- (1) The Perils Insured Against;
 - (2) Decay that is hidden from view, unless the presence of such decay is known to you prior to collapse;
 - (3) Insect or vermin damage that is hidden from view, unless the presence of such damage is known to you prior to collapse;
 - (4) Weight of contents, equipment, animals or people;
 - (5) Weight of rain which collects on a roof; or
 - (6) Use of defective material or methods in construction, remodeling or renovation if the collapse occurs during the course of the construction, remodeling or renovation.
- c. Loss to an awning, fence, patio, deck, pavement, swimming pool, underground pipe, flue, drain, cesspool, septic tank, foundation, retaining wall, bulkhead, pier, wharf or dock is not included under b.(2) through (6) above unless the loss is a direct result of the collapse of a building or any part of a building.
- d. This coverage does not increase the limit of liability that applies to the damaged covered property.

4. Ordinance Or Law

- a. The Ordinance Or Law limit of liability determined in b. or c. below will apply

with respect to the increased costs you incur due to the enforcement of any ordinance or law which requires or regulates:

- (1) The construction, demolition, remodeling, renovation or repair of that part of a covered building or other structure damaged by a Peril Insured Against;
 - (2) The demolition and reconstruction of the undamaged part of a covered building or other structure, when that building or other structure must be totally demolished because of damage by a Peril Insured Against to another part of that covered building or other structure; or
 - (3) The remodeling, removal or replacement of the portion of the undamaged part of a covered building or other structure necessary to complete the remodeling, repair or replacement of that part of the covered building or other structure damaged by a Peril Insured Against.
- b. If you are an owner of a Described Location, and that location:
- (1) Is insured for Coverage A or Unit-Owners Building Items, you may use up to 10% of the limit of liability that applies to Coverage A or Unit-Owners Building Items at each Described Location; or
 - (2) Is not insured for Coverage A or Unit-Owners Building Items, you may use up to 10% of the total limit of liability that applies to Coverage B at each Described Location.
- c. If you are a tenant of a Described Location, you may use up to 10% of the limit of liability that applies to Improvements, Alterations And Additions at each Described Location. Also, the words "covered building" used throughout this Other Coverage 12. Ordinance Or Law, refer to property at such a Described Location covered under Other Coverage 3. Improvements, Alterations And Additions.
- d. You may use all or part of this ordinance or law coverage to pay for the increased costs you incur to remove debris resulting from the construction, demolition, remodeling, renovation,

repair or replacement of property as stated in a. above.

e. We do not cover:

- (1) The loss in value to any covered building or other structure due to the requirements of any ordinance or law; or
- (2) The costs to comply with any ordinance or law which requires you or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, pollutants in or on any covered building or other structure.

Pollutants means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.

This coverage is additional insurance.

PERILS INSURED AGAINST

COVERAGE A – DWELLING AND COVERAGE B – OTHER STRUCTURES

A. Coverage A – Dwelling And Coverage B – Other Structures

1. We insure against risk of direct physical loss to property described in Coverages A and B.
2. We do not insure, however, for loss:
 - a. Excluded under General Exclusions;
 - b. Involving collapse, except as provided in Other Coverage 3. Collapse; or
 - c. Caused by:
 - (1) Freezing of a plumbing, heating, air conditioning or automatic fire protective sprinkler system or of a household appliance, or by discharge, leakage or overflow from within the system or appliance caused by freezing. This provision does not apply if you have used reasonable care to:
 - (a) Maintain heat in the building; or

- (b) Shut off the water supply and drain all systems and appliances of water;

However, if the building is protected by an automatic fire protective sprinkler system, you must use reasonable care to continue the water supply and maintain heat in the building for coverage to apply.

For purposes of this provision a plumbing system or household appliance does not include a sump, sump pump or related equipment or a roof drain, gutter, downspout or similar fixtures or equipment.

- (2) Freezing, thawing, pressure or weight of water or ice, whether driven by wind or not, to a:
 - (a) Fence, pavement, patio or swimming pool;
 - (b) Footing, foundation, bulkhead, wall, or any other structure or device, that supports all or part of a building or other structure;
 - (c) Retaining wall or bulkhead that does not support all or part of a building or other structure; or
 - (d) Pier, wharf or dock;
- (3) Theft of property not part of a covered building or structure;
- (4) Theft in or to a dwelling or structure under construction;
- (5) Wind, hail, ice, snow or sleet to:
 - (a) Outdoor radio and television antennas and aerials including their lead-in wiring, masts or towers; or
 - (b) Trees, shrubs, plants or lawns;
- (6) constant or repeated seepage or leakage of water or steam over a period of weeks, months, or years from within a plumbing, heating, air conditioning or automatic fire protective sprinkler system or from within a household appliance.

For purposes of this provision, a plumbing system or household appliance does not include a sump, sump pump or related equipment or a roof drain, gutter, downspout or similar fixtures or equipment;

(7) Any of the following:

- (a) Wear and tear, marring, deterioration;
- (b) Mechanical breakdown, latent defect, inherent vice, or any quality in property that causes it to damage or destroy itself;
- (c) Smog, rust or other corrosion, mold, wet or dry rot;
- (d) Smoke from agricultural smudging or industrial operations;
- (e) Discharge, dispersal, seepage, migration release or escape of pollutants unless the discharge, dispersal, seepage, migration, release or escape is itself caused by a Peril Insured Against.
Pollutants means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed;
- (f) Settling, shrinking, bulging or expansion, including resultant cracking, of bulkheads, pavements, patios, footings, foundations, walls, floors, roofs or ceilings; or
- (g) Birds, vermin, rodents, insects or domestic animals.

Exception to c.(7)

Unless the loss is otherwise excluded, we cover loss to property covered under Coverage A or B resulting from an accidental discharge or overflow of

water or steam from within a:

- i. Storm drain, or water, steam or sewer pipe, off the Described Location; or
- ii. Plumbing, heating, air conditioning or automatic fire protective sprinkler system or household appliance on the Described Location. This includes the cost to tear out and replace any part of a building, or other structure, on the Described Location, but only when necessary to repair the system or appliance. However, such tear out and replacement coverage only applies to other structures if the water or steam causes actual damage to a building on the Described Location.

We do not cover loss to the system or appliance from which this water or steam escaped.

For the purposes of this provision, a plumbing system or household appliance does not include a sump, sump pump or related equipment or roof drain, gutter, down spout or similar fixtures or equipment.

General Exclusion A.3. Water Damage, Paragraphs a. and c. that apply to surface water and water below the surface of ground do not apply to loss by water covered under c.(7) above.

Under 2.b. and c. above, any ensuing loss to property described in Coverages A and B not excluded or excepted in this policy is covered.

GENERAL EXCLUSIONS

- A. We do not insure for loss caused directly or indirectly by any of the following. Such loss is excluded regardless of any other cause or event contributing concurrently or in any sequence to the loss. These exclusions apply whether or not the loss event results in widespread damage or affects a substantial area.

1. Ordinance Or Law

Ordinance Or Law means any ordinance or law:

- a. Requiring or regulating the construction, demolition, remodeling, renovation or repair of property, including removal of any resulting debris. This Exclusion A.1.a. does not apply to the amount of coverage that may be provided under Other Coverage 4. Ordinance Or Law;
- b. The requirements of which result in a loss in value to property; or
- c. Requiring you or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, pollutants.

Pollutants means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.

This Exclusion A.1. applies whether or not the property has been physically damaged.

2. Earth Movement

Earth Movement means:

- a. Earthquake, including land shock waves or tremors before, during or after a volcanic eruption;
- b. Landslide, mudslide or mudflow;
- c. Subsidence or sinkhole; or
- d. Any other earth movement including earth sinking, rising or shifting;

caused by or resulting from human or animal forces or any act of nature unless direct loss by fire or explosion ensues and then we will pay only for the ensuing loss.

3. Water Damage

Water Damage means:

- a. Flood, surface water, waves, tidal water, overflow of a body of water or spray from any of these, whether or not driven by wind;
- b. Water or water-borne material which backs up through sewers or drains or which overflows or is discharged from a sump, sump pump or related equipment; or
- c. Water or water-borne material below the surface of the ground, including water which exerts pressure on or seeps or leaks through a building, sidewalk, driveway, foundation, swimming pool or other structure;

caused by or resulting from human or animal forces or any act of nature.

Direct loss by fire or explosion resulting from water damage is covered.

4. Power Failure

Power Failure means the failure of power or other utility service if the failure takes place off the Described Location. But if the failure of power or other utility service results in a loss, from a Peril Insured Against on the Described Location, we will pay for the loss caused by that Peril Insured Against.

5. Neglect

Neglect means your neglect to use all reasonable means to save and preserve property at and after the time of a loss.

6. War

War includes the following and any consequence of any of the following:

- a. Undeclared war, civil war, insurrection, rebellion or revolution;
- b. Warlike act by a military force or military personnel;
- c. Destruction or seizure or use for a military purpose.

Discharge of a nuclear weapon will be deemed a warlike act even if accidental.

7. Nuclear Hazard

This Exclusion A.7. pertains to Nuclear Hazard to the extent set forth in the Nuclear Hazard Clause of the General Provisions.

8. Intentional Loss

Intentional Loss means any loss arising out of any act you or any person or organization named as an additional insured commits or conspires to commit with the intent to cause a loss.

In the event of such loss, neither you nor any such person or organization is entitled to coverage, even those who did not commit or conspire to commit the act causing the loss.

9. Governmental Action

Governmental Action means the destruction, confiscation or seizure of property described in A and B by order of any governmental or public authority.

This exclusion does not apply to such acts ordered by any governmental or public authority that are taken at the time of a fire to prevent its spread, if the loss caused by fire would be covered under this policy.

B. We do not insure for loss to property described in Coverages A and B caused by any of the following. However, any ensuing loss to property described in Coverages A and B not precluded by any other provision in this policy is covered.

1. Weather conditions. However, this exclusion only applies if weather conditions contribute in any way with a cause or event excluded in A. above to produce the loss.
2. Acts or decisions, including the failure to act or decide, of any person, group, organization or governmental body.
3. Faulty, inadequate or defective:
 - a. Planning, zoning, development, surveying, siting;
 - b. Design, specifications, workmanship, repair, construction, renovation, remodeling, grading, compaction;
 - c. Materials used in repair, construction, renovation or remodeling; or
 - d. Maintenance;

of part or all of any property whether on or off the Described Location.

GENERAL PROPERTY AMENDED FORM

AGREEMENT

We will provide the insurance described in this Policy in return for the premium and compliance with all applicable provisions of this Policy.

DEFINITIONS

Throughout this Policy, "you" and "your" refer to the Named Insured shown in the Declarations. "We", "us" and "our" refer to the Company providing this insurance.

SECTION I – PROPERTY COVERED

The insurance under this Policy covers "Building(s)" in accordance with the following description(s) of coverage. This insurance does not cover land. Coverage A - Building(s): Building(s) or structure(s) shall include attached additions and extensions; fixtures, machinery and equipment constituting a permanent part of and pertaining to the service of the building; yard fixtures; personal property of the mortgagor used for the maintenance or service of the described building(s), including fire extinguishing apparatus, outdoor furniture, floor coverings and appliances for refrigerating, ventilating, cooking, dishwashing and laundering (but not including other personal property in apartments or rooms furnished by the mortgagor as landlord); all while as the described location(s).

Debris Removal: This insurance covers expense incurred in the removal of debris of the property covered, which may be occasioned by loss caused by any of the perils insured against in this Policy.

The total liability under this Policy for both loss to property and debris removal expense shall not exceed the amount of insurance applying under this Policy to the property covered.

SECTION II – PROPERTY NOT COVERED

Policy does not cover:

1. Covered Property does not include:

- a. Accounts, bills, currency, food stamps or other evidences of debt, money, notes or securities. Lottery tickets held for sale are not securities;

- b. Animals;
- c. Automobiles held for sale;
- d. Bridges, roadways, walks, patios or other paved surfaces;
- e. Contraband, or property in the course of illegal transportation or trade;
- f. The cost of excavations, grading, backfilling or filling;
- g. Foundations of buildings, structures, machinery or boilers if their foundations are below:
 - (1) The lowest basement floor; or
 - (2) The surface of the ground, if there is no basement;
- h. Land (including land on which the property is located), water, growing crops or lawns;
- i. Personal property while airborne or waterborne;
- j. Bulkheads, pilings, piers, wharves or docks;
- k. Property that is covered under another coverage form of this or any other policy in which it is more specifically described, except for the excess of the amount due (whether you can collect on it or not) from that other insurance;
- l. Retaining walls that are not part of a building;
- m. Underground pipes, flues or drains;
- n. Electronic data, except as provided under the Additional Coverage, Electronic Data. Electronic data means information, facts or computer programs stored as or on, created or used on, or transmitted to or from computer software (including systems and applications software), on hard or floppy disks, CD-ROMs, tapes, drives, cells, data processing devices or any other repositories of computer software which are used with electronically controlled equipment. The term computer programs, referred to in the foregoing description of electronic data, means a set of related electronic instructions which direct the operations and

functions of a computer or device connected to it, which enable the computer or device to receive, process, store, retrieve or send data. This paragraph, n., does not apply to your "stock" of prepackaged software;

- o. The cost to replace or restore the information on valuable papers and records, including those which exist as electronic data. Valuable papers and records include but are not limited to proprietary information, books of account, deeds, manuscripts, abstracts, drawings and card index systems. Refer to the Coverage Extension for Valuable Papers And Records (Other Than Electronic Data) for limited coverage for valuable papers and records other than those which exist as electronic data;
- p. Vehicles or self-propelled machines (including aircraft or watercraft) that:
 - (1) Are licensed for use on public roads; or
 - (2) Are operated principally away from the described premises.

This paragraph does not apply to:

- (a) Vehicles or self-propelled machines or autos you manufacture, process or warehouse;
 - (b) Vehicles or self-propelled machines, other than autos, you hold for sale;
 - (c) Rowboats or canoes out of water at the described premises; or
 - (d) Trailers, but only to the extent provided for in the Coverage Extension for Non-owned Detached Trailers;
 - q. The following property while outside of buildings:
 - (1) Grain, hay, straw or other crops;
 - (2) Fences, radio or television antennas (including satellite dishes) and their lead-in wiring, masts or towers, trees, shrubs or plants (other than "stock" of trees, shrubs or plants), all except as provided in the Coverage Extensions.
2. In addition to the properties listed in item 1 a. through q. above any Ineligible Properties

appearing in the Declarations of the Blanket Mortgage Security Policy are also excluded.

SECTION III – PERILS INSURED AGAINST

This Policy insures against all direct loss caused by:

1. Fire.
2. Lightning.
3. Explosion, including the explosion of gases or fuel within the furnace of any fired vessel or within the flues or passages through which the gases of combustion pass. This cause of loss does not include loss or damage by:
 - a. Rupture, bursting or operation of pressure-relief devices; or
 - b. Rupture or bursting due to expansion or swelling of the contents of any building or structure, caused by or resulting from water.
4. Windstorm or Hail, but not including:
 - a. Frost or cold weather;
 - b. Ice (other than hail), snow or sleet, whether driven by wind or not; or
 - c. Loss or damage to the interior of any building or structure, or the property inside the building or structure, caused by rain, snow, sand or dust, whether driven by wind or not, unless the building or structure first sustains wind or hail damage to its roof or walls through which the rain, snow, sand or dust enters.
5. Smoke causing sudden and accidental loss or damage. This cause of loss does not include smoke from agricultural smudging or industrial operations.
6. Aircraft or Vehicles, meaning only physical contact of an aircraft, a spacecraft, a self-propelled missile, a vehicle or an object thrown up by a vehicle with the described property or with the building or structure containing the described property. This cause of loss includes loss or damage by objects falling from aircraft.

We will not pay for loss or damage caused by or resulting from vehicles you own or which are operated in the course of your business.

7. Riot or Civil Commotion, including:

- a. Acts of striking employees while occupying the described premises; and
- b. Looting occurring at the time and place of a riot or civil commotion.

8. Vandalism, meaning willful and malicious damage to, or destruction of, the described property.

We will not pay for loss or damage caused by or resulting from theft, except for building damage caused by the breaking in or exiting of burglars.

9. Sprinkler Leakage, meaning leakage or discharge of any substance from an Automatic Sprinkler System, including collapse of a tank that is part of the system.

If the building or structure containing the Automatic Sprinkler System is Covered Property, we will also pay the cost to:

- a. Repair or replace damaged parts of the Automatic Sprinkler System if the damage:
 - (1) Results in sprinkler leakage; or
 - (2) Is directly caused by freezing.
- b. Tear out and replace any part of the building or structure to repair damage to the Automatic Sprinkler System that has resulted in sprinkler leakage.

Automatic Sprinkler System means:

- (1) Any automatic fire-protective or extinguishing system, including connected:
 - (a) Sprinklers and discharge nozzles;
 - (b) Ducts, pipes, valves and fittings;
 - (c) Tanks, their component parts and supports; and
 - (d) Pumps and private fire protection mains.
- (2) When supplied from an automatic fire-protective system:
 - (a) Non-automatic fire-protective systems; and
 - (b) Hydrants, standpipes and outlets.

10. Sinkhole Collapse, meaning loss or damage caused by the sudden sinking or collapse of land into underground empty spaces created by the action of water on limestone or dolomite. This cause of loss does not include:

- a. The cost of filling sinkholes; or
- b. Sinking or collapse of land into man-made underground cavities.

11. Volcanic Action, meaning direct loss or damage resulting from the eruption of a volcano when the loss or damage is caused by:

- a. Airborne volcanic blast or airborne shock waves;
- b. Ash, dust or particulate matter; or
- c. Lava flow.

All volcanic eruptions that occur within any 168-hour period will constitute a single occurrence.

This cause of loss does not include the cost to remove ash, dust or particulate matter that does not cause direct physical loss or damage to the described property.

12. Falling Objects

But we will not pay for loss or damage to:

- a. Personal property in the open; or
- b. The interior of a building or structure, or property inside a building or structure, unless the roof or an outside wall of the building or structure is first damaged by a falling object.

13. Weight Of Snow, Ice Or Sleet

But we will not pay for loss or damage to personal property outside of buildings or structures.

14. Water Damage

- a. Water Damage, meaning accidental discharge or leakage of water or steam as the direct result of the breaking apart or cracking of a plumbing, heating, air conditioning or other system or appliance, that is located on the described premises and contains water or steam.

However, Water Damage does not include:

- (1) Discharge or leakage from:
 - (a) An Automatic Sprinkler System;
 - (b) A sump or related equipment and parts, including overflow due to sump pump failure or excessive volume of water; or
 - (c) Roof drains, gutters, downspouts or similar fixtures or equipment;

(2) The cost to repair any defect that caused the loss or damage;

(3) Loss or damage caused by or resulting from continuous or repeated seepage or leakage of water, or the presence or condensation of humidity, moisture or vapor, that occurs over a period of 14 days or more; or

(4) Loss or damage caused by or resulting from freezing, unless:

(a) You do your best to maintain heat in the building or structure; or

(b) You drain the equipment and shut off the water supply if the heat is not maintained.

b. If coverage applies subject to a. above, and the building or structure containing the system or appliance is Covered Property, we will also pay the cost to tear out and replace any part of the building or structure to repair damage to the system or appliance from which the water or steam escapes. But we will not pay the cost to repair any defect that caused the loss or damage.

SECTION IV – EXCLUSIONS

1. We will not pay for loss or damage caused directly or indirectly by any of the following. Such loss or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss.

a. Ordinance Or Law

The enforcement of any ordinance or law:

(1) Regulating the construction, use or repair of any property; or

(2) Requiring the tearing down of any property including the cost of removing its debris.

This exclusion, Ordinance Or Law, applies whether the loss results from:

(a) An ordinance or law that is enforced even if the property has not been damaged; or

(b) The increased costs incurred to comply with an ordinance or law in the course of construction, repair, renovation, remodeling or demolition of property, or removal of its debris,

following a physical loss to that property.

b. Earth Movement

(1) Earthquake, including any earth sinking, rising or shifting related to such event;

(2) Landslide, including any earth sinking, rising or shifting related to such event;

(3) Mine subsidence, meaning subsidence of a man-made mine, whether or not mining activity has ceased;

(4) Earth sinking (other than sinkhole collapse), rising or shifting including soil conditions which cause settling, cracking or other disarrangement of foundations or other parts of realty. Soil conditions include contraction, expansion, freezing, thawing, erosion, improperly compacted soil and the action of water under the ground surface.

But if Earth Movement, as described in b.(1) through (4) above, results in fire or explosion, we will pay for the loss or damage caused by that fire or explosion.

(5) Volcanic eruption, explosion or effusion. But if volcanic eruption, explosion or effusion results in fire, building glass breakage or Volcanic Action, we will pay for the loss or damage caused by that fire, building glass breakage or Volcanic Action.

c. Governmental Action

Seizure or destruction of property by order of governmental authority.

But we will pay for loss or damage caused by or resulting from acts of destruction ordered by governmental authority and taken at the time of a fire to prevent its spread, if the fire would be covered under this Coverage Part.

d. Nuclear Hazard

Nuclear reaction or radiation, or radioactive contamination, however caused.

But if nuclear reaction or radiation, or radioactive contamination, results in fire, we will pay for the loss or damage caused by that fire.

e. Utility Services

The failure of power, communication, water or other utility service supplied to the described premises, however caused, if the failure:

- (1) Originates away from the described premises; or
- (2) Originates at the described premises, but only if such failure involves equipment used to supply the utility service to the described premises from a source away from the described premises.

Failure of any utility service includes lack of sufficient capacity and reduction in supply. Loss or damage caused by a surge of power is also excluded, if the surge would not have occurred but for an event causing a failure of power.

But if the failure or surge of power, or the failure of communication, water or other utility service, results in a Covered Cause of Loss, we will pay for the loss or damage caused by that Covered Cause of Loss.

Communication services include but are not limited to service relating to Internet access or access to any electronic, cellular or satellite network.

f. War And Military Action

- (1) War, including undeclared or civil war;
- (2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- (3) Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

g. Water

- (1) Flood, surface water, waves, tides, tidal waves, overflow of any body of water, or their spray, all whether driven by wind or not;
- (2) Mudslide or mudflow;
- (3) Water that backs up or overflows from a sewer, drain or sump; or
- (4) Water under the ground surface pressing on, or flowing or seeping through;

- (a) Foundations, walls, floors or paved surfaces;
- (b) Basements, whether paved or not; or
- (c) Doors, windows or other openings.

But if Water, as described in g.(1) through g.(4) above, results in fire, explosion or sprinkler leakage, we will pay for the loss or damage caused by that fire, explosion or sprinkler leakage.

h. "Fungus", Wet Rot, Dry Rot And Bacteria

Presence, growth, proliferation, spread or any activity of "fungus", wet or dry rot or bacteria.

But if "fungus", wet or dry rot or bacteria results in a Covered Cause of Loss, we will pay for the loss or damage caused by that Covered Cause of Loss.

This exclusion does not apply:

1. When "fungus", wet or dry rot or bacteria results from fire or lightning; or
2. To the extent that coverage is provided in the Additional Coverage – Limited Coverage For "Fungus", Wet Rot, Dry Rot And Bacteria with respect to loss or damage by a cause of loss other than fire or lightning.

Exclusions 1.a. through 1.h. apply whether or not the loss event results in widespread damage or affects a substantial area.

2. We will not pay for loss or damage caused by or resulting from:
 - a. Artificially generated electrical, magnetic or electromagnetic energy that damages, disturbs, disrupts or otherwise interferes with any:
 - (1) Electrical or electronic wire, device, appliance, system or network; or
 - (2) Device, appliance, system or network utilizing cellular or satellite technology.

For the purpose of this exclusion, electrical, magnetic or electromagnetic energy includes but is not limited to:

- (a) Electrical current, including arcing;

(b) Electrical charge produced or conducted by a magnetic or electromagnetic field;

(c) Pulse of electromagnetic energy; or

(d) Electromagnetic waves or microwaves.

But if fire results, we will pay for the loss or damage caused by that fire.

- b. Explosion of steam boilers, steam pipes, steam engines or steam turbines owned or leased by you, or operated under your control.

But if explosion of steam boilers, steam pipes, steam engines or steam turbines results in fire or combustion explosion, we will pay for the loss or damage caused by that fire or combustion explosion.

- c. Mechanical breakdown, including rupture or bursting caused by centrifugal force.

But if mechanical breakdown results in a Covered Cause of Loss, we will pay for the loss or damage caused by that Covered Cause of Loss.

- d. Neglect of an insured to use all reasonable means to save and preserve property from further damage at and after the time of loss.

SECTION V – ADDITIONAL COVERAGE – COLLAPSE

The coverage provided under this Additional Coverage – Collapse applies only to an abrupt collapse as described and limited in **SECTION V 1. through 7.**

1. For the purpose of this Additional Coverage – Collapse, abrupt collapse means an abrupt falling down or caving in of a building or any part of a building with the result that the building or part of the building cannot be occupied for its intended purpose.
2. We will pay for direct physical loss or damage to Covered Property, caused by abrupt collapse of a building or any part of a building that is insured under this Coverage Form or that contains Covered Property insured under this Coverage Form, if such collapse is caused by one or more of the following:
 - a. Fire; lightning; explosion; windstorm or hail; smoke; aircraft or vehicles; riot or civil commotion; vandalism; leakage

from fire-extinguishing equipment; sinkhole collapse; volcanic action; breakage of building glass; falling objects; weight of snow, ice or sleet; water damage, meaning accidental discharge or leakage of water or steam as the direct result of the breaking apart or cracking of a plumbing, heating, air conditioning or other system or appliance (other than a sump system including its related equipment and parts), that is located on the described premises and contains water or steam; all only as insured against in this Coverage Part;

- b. Building decay that is hidden from view, unless the presence of such decay is known to an insured prior to collapse;
- c. Insect or vermin damage that is hidden from view, unless the presence of such damage is known to an insured prior to collapse;
- d. Weight of people or personal property;
- e. Weight of rain that collects on a roof;
- f. Use of defective material or methods in construction, remodeling or renovation if the abrupt collapse occurs during the course of the construction, remodeling or renovation. However, if such collapse occurs after construction, remodeling or renovation is complete and is caused in part by a cause of loss listed in 2.a. through 2.e., we will pay for the loss or damage even if use of defective material or methods, in construction, remodeling or renovation, contributes to the collapse.

This Additional Coverage – Collapse does not limit the coverage otherwise provided under this Causes of Loss Form for the causes of loss listed in 2.a.

3. This Additional Coverage – Collapse does not apply to:
 - a. A building or any part of a building that is in danger of falling down or caving in;
 - b. A part of a building that is standing, even if it has separated from another part of the building; or
 - c. A building that is standing or any part of a building that is standing, even if it shows evidence of cracking, bulging, sagging, bending, leaning, settling, shrinkage or expansion.
4. With respect to the following property:

- a. Outdoor radio or television antennas (including satellite dishes) and their lead-in wiring, masts or towers;
- b. Awnings, gutters and downspouts;
- c. Yard fixtures;
- d. Outdoor swimming pools;
- e. Fences;
- f. Piers, wharves and docks;
- g. Beach or diving platforms or appurtenances;
- h. Retaining walls; and
- i. Walks, roadways and other paved surfaces;

if an abrupt collapse is caused by a cause of loss listed in 2.b. through 2.f. we will pay for loss or damage to that property only if:

- (1) Such loss or damage is a direct result of the abrupt collapse of a building insured under this Coverage Form; and
 - (2) The property is Covered Property under this Coverage Form.
5. If personal property abruptly falls down or caves in and such collapse is not the result of abrupt collapse of a building, we will pay for loss or damage to Covered Property caused by such collapse of personal property only if:
- a. The collapse of personal property was caused by a cause of loss listed in 2.a. through 2.f. above;
 - b. The personal property which collapses is inside a building; and
 - c. The property which collapses is not of a kind listed in 4. regardless of whether that kind of property is considered to be personal property or real property.

The coverage stated in this Paragraph 5. does not apply to personal property if marring and/or scratching is the only damage to that personal property caused by the collapse.

- 6. This Additional Coverage – Collapse does not apply to personal property that has not abruptly fallen down or caved in, even if the personal property shows evidence of cracking, bulging, sagging, bending, leaning, settling, shrinkage or expansion.
- 7. This Additional Coverage – Collapse will not increase the Limits of Insurance provided in this Coverage Part.

- 8. The term Covered Cause of Loss includes the Additional Coverage – Collapse as described and limited in SECTION V 1. through 7.

SECTION VI – OTHER PROVISIONS

- 1. **Inspection of Property and Operations:** This Company and any person or organization making inspections on the Company's behalf shall be permitted but not obligated to inspect the mortgagor's property and operations at any time. Neither the right of this Company and any person or organization to make such inspections nor the making thereof nor any report thereon shall constitute an undertaking, on behalf of or for the benefit of the named insured or others, to determine or warrant that such property or operations are safe or healthful, or are in compliance with any law, rule or regulations.
- 2. **Permits and Use:** Except as otherwise provided, permission is granted:
 - a. to make additions, alterations and repairs. This Policy insofar as it covers building(s) or structure(s), is extended to cover additions, alterations and repairs, when not otherwise covered by insurance, including temporary structures constructed on site, materials, equipment and supplies therefore on or within 100 feet of the described premises; and this Policy, insofar as it covers contents, is extended to cover such additions.
 - b. for such unoccupancy as is usual or incidental to described occupancy. "Unoccupied" or "Unoccupancy" means containing contents pertaining to occupancy of the building while operations or other customary activities are suspended.
- 3. **Protective Safeguards:** It is a condition of this insurance that you and the mortgagor shall maintain so far as is within your or the mortgagor's control such protective safeguards as are set forth by endorsement hereto.

Failure to maintain such protective safeguards shall suspend this insurance, only as respects the location or situation affected, for the time of such discontinuance.

MORTGAGE SECURITY
MSP 03 02 02 13

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

WIND, HAIL AND HURRICANE DEDUCTIBLE ENDORSEMENT

In consideration of the basis on which this policy has been issued and premiums collected, it is agreed between the named insured and the Company that the deductible provision of the Blanket Mortgage Security Policy is:

A minimum deductible of 2% of the property limit, or the deductible shown on the declarations page, whichever is greater, shall apply to each occurrence caused by the perils of wind, hail and hurricane.

ALL OTHER TERMS AND CONDITIONS OF THE POLICY REMAIN UNCHANGED.

MORTGAGE SECURITY
MSP 04 01 02 13**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****BUSINESS PERSONAL PROPERTY ENDORSEMENT**

In consideration of additional premiums collected, coverage is extended for Business Personal Property in which you as Named Insured have an insurable interest as lienholder or loss payee or owner as the result of a default on a loan or note.

Your Business Personal Property located in or on the building described in the Declarations or in the open (or in a vehicle) within 100 feet of the described premises, consisting of the following unless otherwise specified:

- (1) Furniture and fixtures;
- (2) Machinery and equipment;
- (3) "Stock";
- (4) All other personal property owned by you and used in your business;
- (5) Labor, materials or services furnished or arranged by you on personal property of others;
- (6) Your use interest as tenant in improvements and betterments. Improvements and betterments are fixtures, alterations, installations or additions:
 - (a) Made a part of the building or structure you occupy but do not own; and
 - (b) You acquired or made at your expense but cannot legally remove;
- (7) Leased personal property for which you have a contractual responsibility to insure, unless otherwise provided for under Personal Property Of Others.
 - (a) Personal Property Of Others that is:
 - (1) In your care, custody or control; and
 - (2) Located in or on the building described in the Declarations or in the open (or in a vehicle) within 100 feet of the described premises.

However, our payment for loss of or damage to personal property of others will only be for the account of the owner of the property.

PROPERTY NOT COVERED

Covered Property does not include:

- a. Accounts, bills, currency, food stamps or other evidences of debt, money, notes or securities. Lottery tickets held for sale are not securities;
- b. Animals, unless owned by others and boarded by you, or if owned by you, only as "stock" while inside of buildings;
- c. Automobiles held for sale;
- d. Bridges, roadways, walks, patios or other paved surfaces;
- e. Contraband, or property in the course of illegal transportation or trade;
- f. The cost of excavations, grading, backfilling or filling;
- g. Foundations of buildings, structures, machinery or boilers if their foundations are below:
 - (1) The lowest basement floor; or
 - (2) The surface of the ground, if there is no basement;
- h. Land (including land on which the property is located), water, growing crops or lawns;
- i. Personal property while airborne or waterborne;
- j. Bulkheads, pilings, piers, wharves or docks;
- k. Property that is covered under another coverage form of this or any other policy in which it is more specifically described, except for the excess of the amount due (whether you can collect on it or not) from that other insurance;
- l. Retaining walls that are not part of a building;
- m. Underground pipes, flues or drains;
- n. Electronic data, except as provided under the Additional Coverage, Electronic Data. Electronic data means information, facts or computer programs stored as or on, created or used on, or transmitted to or from computer software (including systems and applications software), on hard or floppy

disks, CD-ROMs, tapes, drives, cells, data processing devices or any other repositories of computer software which are used with electronically controlled equipment. The term computer programs, referred to in the foregoing description of electronic data, means a set of related electronic instructions which direct the operations and functions of a computer or device connected to it, which enable the computer or device to receive, process, store, retrieve or send data. This paragraph, n., does not apply to your "stock" of prepackaged software;

- o. The cost to replace or restore the information on valuable papers and records, including those which exist as electronic data. Valuable papers and records include but are not limited to proprietary information, books of account, deeds, manuscripts, abstracts, drawings and card index systems. Refer to the Coverage Extension for Valuable Papers And Records (Other Than Electronic Data) for limited coverage for valuable papers and records other than those which exist as electronic data;
- p. Vehicles or self-propelled machines (including aircraft or watercraft) that:
 - (1) Are licensed for use on public roads; or
 - (2) Are operated principally away from the described premises.

This paragraph does not apply to:

- (a) Vehicles or self-propelled machines or autos you manufacture, process or warehouse;
- (b) Vehicles or self-propelled machines, other than autos, you hold for sale;
- (c) Rowboats or canoes out of water at the described premises; or
- (d) Trailers, but only to the extent provided for in the Coverage Extension for Non-owned Detached Trailers;
- q. The following property while outside of buildings:
 - (1) Grain, hay, straw or other crops;
 - (2) Fences, radio or television antennas (including satellite dishes) and their lead-in wiring, masts or towers, trees, shrubs or plants (other than "stock" of trees, shrubs or plants), all except as provided in the Coverage Extensions.

Business Personal Property coverage is valued on an actual cash value basis except as stated in Exception. The limit of liability for this coverage shall be specifically reported to the Company but, in no event exceed the limit of liability shown on the Declarations.

The coverage provided by this endorsement shall in no way increase the policy's limit of liability as stated in the Amount of Insurance shown in the Declarations, of the Mortgage Security Policy.

Business Personal Property valuation exceptions:

- A. Finished "stock" or inventory and sold business property completed and awaiting delivery are valued based on your selling price less the value of discounts and expenses you would have had.
- B. Accounts receivable, valuable papers and records, negatives, transparencies, tapes, and prints are valued based on the cost of blank materials, including electronic data processing media but, not prepackaged software programs.
- C. Gold, Gold Salts, and other precious metals are valued at the market cost for replacement as published by American Metals Market, during a period of 10 (ten) working days immediately following the date of loss, or the actual sum you pay for replacement, which is lower.

The deductible for Business Personal Property shall apply separately from deductibles provided by other coverages under this policy.

Perils insured against for Business Personal Property shall be those detailed on form **MSP 00 04**.

Automatic coverage does not apply to collateral insured under this endorsement.

ALL OTHER TERMS AND CONDITIONS OF THE POLICY REMAIN UNCHANGED.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

PERSONAL PROPERTY ENDORSEMENT

In consideration of the basis upon which this policy has been issued, it is agreed between the named insured and the Company that the following will apply to the Master Policy.

COVERED PROPERTY

In consideration of additional premiums collected, coverage is extended to include the personal property of the mortgagor when specifically requested by the named insured.

The coverage provided by this endorsement shall in no way increase the policy's limit of liability as stated in the Amount of Insurance shown in the Declarations, of the Blanket Mortgage Security Policy.

The personal property covered must be usual to the occupancy of the mortgaged property as a residence. The coverage pertains only to personal property located at the mortgaged property residence at the time of loss.

PROPERTY NOT COVERED

- a. Accounts, bank notes, bills, bullion, coins, currency, deeds, evidences of debt, gold other than goldware, letters of credit, manuscripts, medals, money, notes other than bank notes, passports, personal records, platinum other than platinumware, securities, silver other than silverware, tickets, stamps, scrip, stored value cards and smart cards;
- b. Animals, birds or fish;
- c. Aircraft meaning any contrivance used or designed for flight including any parts whether or not attached to the aircraft.
We do cover model or hobby aircraft not used or designed to carry people or cargo;
- d. Hovercraft and parts. Hovercraft means a self-propelled motorized ground effect vehicle and includes, but is not limited to, flarecraft and air cushion vehicles;

- e. Motor vehicles or all other motorized land conveyances.

(1) This includes:

- (a) Their accessories, equipment and parts; or
- (b) Any device or instrument for the transmitting, recording, receiving or reproduction of sound or pictures which is operated by power from the electrical system of motor vehicles and all other motorized land conveyances, and its accessories. Accessories include antennas, tapes, wires, records, discs or other media that can be used with any device or instrument described above.

The exclusion of property described in (a) and (b) above applies only while such property is in or upon the vehicle or conveyance.

- (2) We do cover motor vehicles or other motorized land conveyances not required to be registered for use on public roads or property which are:

- (a) Used solely to service the Described Location; or
- (b) Designed to assist the handicapped;

- f. Watercraft of all types, other than rowboats and canoes;

- g. Data, including data stored in:

- (1) Books of account, drawings or other paper records; or
- (2) Computers and related equipment;

We do cover the cost of blank recording or storage media, and of prerecorded computer programs available on the retail market;

- h. Credit cards, electronic fund transfer cards or access devices used solely for deposit, withdrawal or transfer of funds;
- i. Water or steam; or
- j. Gravemarkers, including mausoleums.

- (1) Valuable papers, currency, gold, silver, and notes.
- (2) Animals, birds, or fish.
- (3) Aircraft and parts.
- (4) Motor vehicles, other than motorized equipment used to service residence.
- (5) Boats, other than rowboats and canoes.
- (6) Furs, fur garments, jewels, jewelry, and pearls.

Personal Property coverage is valued on an actual cash basis at the time of loss but not exceeding the amount necessary to repair or replace.

Automatic coverage does not apply to collateral insured under this endorsement.

THIS COVERAGE PERTAINS TO RESIDENTIAL PROPERTY ONLY

ALL OTHER TERMS AND CONDITIONS OF THE POLICY REMAIN UNCHANGED.

MORTGAGE SECURITY
MSP 04 04 02 13

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

SECOND MORTGAGE ENDORSEMENT

(To be attached to Master Policy)

In consideration of the premium charged, it is hereby understood and agreed that this policy is extended to insure real property that is security for a second mortgage or equity loan.

If there should be another policy in force insuring that real property, that policy would be primary and this Company would pay only the excess over that paid by the primary carrier up to the amount reported to us - but the total of all insurance Primary and Excess, is never to exceed 100% of the Replacement Cost of the structure.

Coverage as provided under this policy as it applies to second mortgage and equity loans will follow the settlements of the First Mortgage Insurer. The Company shall not be liable for the interest of any mortgagee not named on the Policy.

The Company's liability for loss with respect to any property covered hereunder shall not exceed the limit of liability reflected on the declarations page.

- a. The amount it would cost to repair or replace the property with material of like kind and quality.
- b. The outstanding balance of the second mortgage or equity loan on the property.

In the absence of primary insurance, the deductible will be \$250.

All other policy terms and conditions shall remain in full force and effect. In witness whereof, the company has caused this endorsement to be executed by a duly authorized representative.

MORTGAGE SECURITY
MSP 17 02 02 13

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CONDOMINIUM COVERAGE ENDORSEMENT

For purposes of this endorsement only:

Under COVERAGES Coverage A – Dwelling is revised by the addition of:

- e) **condominium.** Condominium means a method of property ownership where there is a common ownership of certain portions of the premises and distinct ownership of individual condominium or cooperative apartment units ("units").

We cover your unit and:

1. permanent alterations, fixtures and improvements contained within **your unit**;
2. property which is part of **your unit** and which is **your** responsibility to maintain insurance under a corporate declaration or an association of property owners agreement;
3. structures at the **described location** other than the **condominium**, provided **you** have a **mortgagee interest** in such structure and it is not used for commercial purposes.

The following is added to Other Coverages;

- A. **Loss Assessments** - We will pay up to \$5,000 for **your** share of any assessment charged to all **unit** owners by the corporation or association of property owners when such assessment is made due to loss or damage by an insured peril to property owned by all **unit** owners collectively. But **we** will not pay more than \$1,000 per **unit** for an assessment that results from a deductible in the insurance purchased by the corporation or association of property owners.

Condition F. Other Insurance is replaced by:

- F. **Other Insurance** - This policy is excess over all other insurance covering the **condominium**, including any insurance purchased by or in the name of the association of property owners. If a loss covered by this policy is also covered by other insurance, **our** liability is limited to the amount of covered loss or damage in excess of the amount due from that other insurance, whether **you** can collect it or not. If there is no other insurance covering the **condominium** in which each **unit** owner has an undivided interest, including any insurance purchased by or in the name of the association of property owners, **our** liability shall be limited to the proportion that the value of **your unit** bears to the total value of the **condominium**.

ALL OTHER TERMS AND CONDITIONS OF THE POLICY REMAIN UNCHANGED.

MORTGAGE SECURITY
MSP 99 04 02 13

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

REPORTING OF MULTI-BUILDING PROPERTY COVERAGE

It is hereby agreed that the following procedure shall be used to report multi-building properties under this policy:

In the event that more than one separate building/dwelling at a location is to be covered under this policy, it shall be the insured's responsibility, prior to placing coverage, to specifically schedule each separate building/dwelling, including the separate address or building number, and to provide the amount of insurance desired for each individual separate building/dwelling. (but not to exceed the policy limit)

Premium shall be charged for each individual separate building/dwelling reported.

If separate buildings are not scheduled at the time coverage is placed, the limit of any one separate building shall be pro-rata portion of the actual amount of coverage requested at the property location based on Actual Cash Value (ACV) and calculated as follows:

$$\frac{(\text{ACV of separate building} / \text{ACV of all Buildings})}{X}$$

Actual amount of coverage at the property location

In this endorsement, a "separate building" is defined as a standalone building.

If separate dwellings are not scheduled at the time coverage is placed, the limit of any one separate dwelling shall be pro-rata portion of the actual amount of coverage requested at the property location based on replacement cost value (RCV) and calculated as follows:

$$\frac{(\text{RCV of separate dwelling} / \text{RCV of all dwellings})}{X}$$

Actual amount of coverage at the property location

For the purposes of this endorsement, separate dwelling shall be defined as a standalone dwelling.

All other terms and conditions of this policy shall remain in full force and effect.

In witness whereof, the Company has caused this endorsement to be executed by a duly authorized representative.

COMMON POLICY CONDITIONS

All Coverage Parts included in this policy are subject to the following conditions.

A. Cancellation

1. The first Named Insured shown in the Declarations may cancel this policy by mailing or delivering to us advance written notice of cancellation.
2. We may cancel this policy by mailing or delivering to the first Named Insured written notice of cancellation at least:
 - a. 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or
 - b. 30 days before the effective date of cancellation if we cancel for any other reason.
3. We will mail or deliver our notice to the first Named Insured's last mailing address known to us.
4. Notice of cancellation will state the effective date of cancellation. The policy period will end on that date.
5. If this policy is cancelled, we will send the first Named Insured any premium refund due. If we cancel, the refund will be pro rata. If the first Named Insured cancels, the refund may be less than pro rata. The cancellation will be effective even if we have not made or offered a refund.
6. If notice is mailed, proof of mailing will be sufficient proof of notice.

B. Changes

This policy contains all the agreements between you and us concerning the insurance afforded. The first Named Insured shown in the Declarations is authorized to make changes in the terms of this policy with our consent. This policy's terms can be amended or waived only by endorsement issued by us and made a part of this policy.

C. Examination Of Your Books And Records

We may examine and audit your books and records as they relate to this policy at any time during the policy period and up to three years afterward.

D. Inspections And Surveys

1. We have the right to:
 - a. Make inspections and surveys at any time;

- b. Give you reports on the conditions we find; and

- c. Recommend changes.

2. We are not obligated to make any inspections, surveys, reports or recommendations and any such actions we do undertake relate only to insurability and the premiums to be charged. We do not make safety inspections. We do not undertake to perform the duty of any person or organization to provide for the health or safety of workers or the public. And we do not warrant that conditions:
 - a. Are safe or healthful; or
 - b. Comply with laws, regulations, codes or standards.

3. Paragraphs 1. and 2. of this condition apply not only to us, but also to any rating, advisory, rate service or similar organization which makes insurance inspections, surveys, reports or recommendations.
4. Paragraph 2. of this condition does not apply to any inspections, surveys, reports or recommendations we may make relative to certification, under state or municipal statutes, ordinances or regulations, of boilers, pressure vessels or elevators.

E. Premiums

The first Named Insured shown in the Declarations:

1. Is responsible for the payment of all premiums; and
2. Will be the payee for any return premiums we pay.

F. Transfer Of Your Rights And Duties Under This Policy

Your rights and duties under this policy may not be transferred without our written consent except in the case of death of an individual named insured.

If you die, your rights and duties will be transferred to your legal representative but only while acting within the scope of duties as your legal representative. Until your legal representative is appointed, anyone having proper temporary custody of your property will have your rights and duties but only with respect to that property.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION OF CERTIFIED ACTS OF TERRORISM

This endorsement modifies insurance provided under the following:

BLANKET MORTGAGE SECURITY POLICY
DWELLING PROPERTY 3A AMENDED FORM
GENERAL PROPERTY AMENDED FORM
MORTGAGE SECURITY POLICY

State(s)	Coverage Form, Coverage Part Or Policy
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.	

Information required to complete this Schedule, if not shown above, will be shown on the Declarations.

A. The following definition is added with respect to the provisions of this endorsement:

"Certified act of terrorism" means an act that is certified by the Secretary of the Treasury, in accordance with the provisions of the federal Terrorism Risk Insurance Act, to be an act of terrorism pursuant to the federal Terrorism Risk Insurance Act. The criteria contained in the Terrorism Risk Insurance Act for a "certified act of terrorism" include the following:

1. The act resulted in insured losses in excess of \$5 million in the aggregate, attributable to all types of insurance subject to the Terrorism Risk Insurance Act; and
2. The act is a violent act or an act that is dangerous to human life, property or infrastructure and is committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

B. The following exclusion is added:

CERTIFIED ACT OF TERRORISM EXCLUSION

We will not pay for loss or damage caused directly or indirectly by a "certified act of terrorism". Such loss or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss.

C. Exception Covering Certain Fire Losses

The following exception to the exclusion in Paragraph B. applies only if indicated and as indicated in the Schedule of this endorsement.

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If a "certified act of terrorism" results in fire, we will pay for the loss or damage caused by that fire. Such coverage for fire applies only to direct loss or damage by fire to Covered Property. Therefore, for example, the coverage does not apply to insurance provided under Business Income and/or Extra Expense coverage forms or endorsements which apply to those forms, or to the Legal Liability Coverage Form or the Leasehold Interest Coverage Form.

If aggregate insured losses attributable to terrorist acts certified under the Terrorism Risk Insurance Act exceed \$100 billion in a calendar year and we have met our insurer deductible under the Terrorism Risk Insurance Act, we shall not be liable for the payment of any portion of the amount of such losses that exceeds \$100 billion, and in such case insured losses up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of the Treasury.

D. Application Of Other Exclusions

The terms and limitations of any terrorism exclusion, or the inapplicability or omission of a terrorism exclusion, do not serve to create coverage for any loss which would otherwise be excluded under this Coverage Part or Policy, such as losses excluded by the Nuclear Hazard Exclusion or the War And Military Action Exclusion.

MORTGAGE SECURITY
MSP 09 01 02 13

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

POLICY EXECUTION ENDORSEMENT

The Company has caused this policy to be signed by the President and Secretary. It is countersigned on the Declarations Page by our authorized representative(s) if required.



Secretary



President



IN THE 22ND JUDICIAL CIRCUIT, CITY OF ST LOUIS, MISSOURI

Judge or Division: MICHAEL FRANCIS STELZER	Case Number: 2122-CC0957
Plaintiff/Petitioner: NEIGHBORS CREDIT UNION	Plaintiff's/Petitioner's Attorney/Address JAMES GERARD NOWOGROCKI 8909 LADUE RD ST. LOUIS, MO 63124
Defendant/Respondent: INTEGRON NATIONAL INSURANCE COMPANY	Court Address: CIVIL COURTS BUILDING 10 N TUCKER BLVD SAINT LOUIS, MO 63101
Nature of Suit: CC Breach of Contract	

RECEIVED
OCT 28 2021
COLE COUNTY
SHERIFF'S OFFICE
(Date File Stamp)

Summons in Civil Case

The State of Missouri to: INTEGRON NATIONAL INSURANCE COMPANY

Alias:

C/O MISSOURI DEPT OF INSURANCE
301 WEST HIGH ST SUITE 630
JEFFERSON CITY, MO 65101

COLE COUNTY, MO

COURT SEAL OF



CITY OF ST LOUIS

You are summoned to appear before this court and to file your pleading to the petition, a copy of which is attached, and to serve a copy of your pleading upon the attorney for plaintiff/petitioner at the above address all within 30 days after receiving this summons, exclusive of the day of service. If you fail to file your pleading, judgment by default may be taken against you for the relief demanded in the petition.

October 22, 2021

Date

Further Information:

Sheriff's or Server's Return

Note to serving officer: Summons should be returned to the court within 30 days after the date of issue.

NOV - 9 2021

I certify that I have served the above summons by: (check one)

- ☐ delivering a copy of the summons and a copy of the petition to the defendant/respondent.
☐ leaving a copy of the summons and a copy of the petition at the dwelling place or usual abode of the defendant/respondent, a person of the defendant's/respondent's family over the age of 15 years who permanently resides with the defendant/respondent.

☒ (for service on a corporation) delivering a copy of the summons and a copy of the complaint to:
Director of Insurance (name) C/O Deborah Lee-Designel (title).

☒ other:
 Served at 301 W. High St Room 530 (address)
 in Cole (County/City of St. Louis), MO, on 10/29/2021 (date) at 10:52am (time).

[Signature] Sheriff by [Signature] Deputy Sheriff #48
 Printed Name of Sheriff or Server Signature of Sheriff or Server

Must be sworn before a notary public if not served by an authorized officer:

Subscribed and sworn to before me on _____ (date).

My commission expires: _____ Date _____ Notary Public

Sheriff's Fees, if applicable

Summons	\$ _____
Non Est	\$ _____
Sheriff's Deputy Salary	\$ _____
Supplemental Surcharge	\$ 10.00
Mileage	\$ _____ (_____ miles @ \$ _____ per mile)
Total	\$ _____


A copy of the summons and a copy of the petition must be served on each defendant/respondent. For methods of service on all classes of suits, see Supreme Court Rule 54.

72817
\$28.17



Judge or Division: MICHAEL FRANCIS STELZER	Case Number: 2122-CC09577	
Plaintiff/Petitioner: NEIGHBORS CREDIT UNION	Plaintiff's/Petitioner's Attorney/Address JAMES GERARD NOWOGROCKI 8909 LADUE RD ST. LOUIS, MO 63124	
Defendant/Respondent: INTEGON NATIONAL INSURANCE COMPANY	Court Address: CIVIL COURTS BUILDING 10 N TUCKER BLVD SAINT LOUIS, MO 63101	
Nature of Suit: CC Breach of Contract		(Date File Stamp)

Summons in Civil Case

The State of Missouri to: INTEGON NATIONAL INSURANCE COMPANY Alias: C/O DIRECTOR OF INSURANCE 301 WEST HIGH ST, SUITE 530 JEFFERSON CITY, MO 65101 COLE COUNTY, MO	
 COURT SEAL OF CITY OF ST LOUIS	<p>You are summoned to appear before this court and to file your pleading to the petition, a copy of which is attached, and to serve a copy of your pleading upon the attorney for plaintiff/petitioner at the above address all within 30 days after receiving this summons, exclusive of the day of service. If you fail to file your pleading, judgment by default may be taken against you for the relief demanded in the petition.</p> <p>November 10, 2021</p> <p>_____ Date</p> <p>_____ Clerk</p>
Further Information:	

Sheriff's or Server's Return

Note to serving officer: Summons should be returned to the court within 30 days after the date of issue.

I certify that I have served the above summons by: (check one)

- ☐ delivering a copy of the summons and a copy of the petition to the defendant/respondent.
- ☐ leaving a copy of the summons and a copy of the petition at the dwelling place or usual abode of the defendant/respondent with _____, a person of the defendant's/respondent's family over the age of 15 years who permanently resides with the defendant/respondent.
- ☐ (for service on a corporation) delivering a copy of the summons and a copy of the complaint to: _____ (name) _____ (title).
- ☐ other: _____.

Served at _____ (address)
in _____ (County/City of St. Louis), MO, on _____ (date) at _____ (time).

Printed Name of Sheriff or Server

Signature of Sheriff or Server

Must be sworn before a notary public if not served by an authorized officer:

Subscribed and sworn to before me on _____ (date).

(Seal)

My commission expires: _____

Date

Notary Public

Sheriff's Fees, if applicable

Summons	\$ _____
Non Est	\$ _____
Sheriff's Deputy Salary	
Supplemental Surcharge	\$ 10.00
Mileage	\$ _____ (_____ miles @ \$._____ per mile)
Total	\$ _____

A copy of the summons and a copy of the petition must be served on **each** defendant/respondent. For methods of service on all classes of suits, see Supreme Court Rule 54.

**IN THE CIRCUIT COURT OF THE CITY OF ST. LOUIS
STATE OF MISSOURI**

NEIGHBORS CREDIT UNION,)	
)	
Plaintiff,)	Case No. 2122-CC09577
)	
vs.)	Division 1
)	
INTEGON NATIONAL INSURANCE)	
COMPANY,)	
)	
Defendant.)	

ENTRY OF APPEARANCE

COMES NOW Stephen C. Hiotis, of the law firm Summers Compton Wells LLC, and hereby enters his appearance on behalf of Plaintiff Neighbors Credit Union.

Respectfully Submitted,

SUMMERS COMPTON WELLS LLC

/s/ Stephen C. Hiotis
STEPHEN C. HIOTIS #30840
903 S. Lindbergh Blvd., Suite 200
St. Louis, Missouri 63131
(314) 991-4999 (Telephone)
(314) 991-2413 (Facsimile)
shiotis@summerscomptonwells.com
Attorneys for Plaintiff

CERTIFICATE OF SERVICE

I hereby certify that on November 19, 2021, I electronically filed the foregoing document with the Clerk of the Court through the Court's electronic e filing system, CM/ECF, for service on all counsel of record.

/s/ Stephen C. Hiotis

2,788,369

State of Missouri

Department of Commerce and Insurance



TO: Corporate Secretary (or United States Manager or Last Appointed General Agent) of

INTEGON NATIONAL INSURANCE COMPANY
SALLY HALL
5630 UNIVERSITY PARKWAY, MAIL CODE 1A04
WINSTON-SALEM, NC 27105

RECEIVED
DEC - 7 2021
22ND JUDICIAL CIRCUIT
CIRCUIT CLERK'S OFFICE
BY _____ DEPUTY

RE: Court: St. Louis City Circuit Court, Case Number: 2122-CC09577

You will take notice that original process in the suit against you, a copy of which is attached hereto and sent to you by certified mail, was duly served upon you at Jefferson City, Missouri, by serving the same on the Director of the Department of Commerce and Insurance of the state of Missouri, Dated at Jefferson City, Missouri this Wednesday, November 17, 2021.

Chloria Lindley Ingers

Director of Commerce and Insurance

ENTERED
DEC 07 2021
PAC

AFFIDAVIT

State of Missouri,

ss.

County of Cole,

The undersigned Director of the Department of Commerce and Insurance or the Director's designated agent, hereby makes oath and certifies the original of the above notice to the above addressee was mailed at the United States Post Office in Jefferson City, Missouri on November 18, 2021 by first class certified mail prepaid as provided by section 375.906.5, RSMo. and Supreme Court Rule 54.15

Director, Department of Commerce and Insurance

By: *[Signature]*

Subscribed and sworn to before me this 18th day of November 2021
Kathryn Latimer

My commission expires:



KATHRYN LATIMER
My Commission Expires
March 4, 2024
Cole County
Commission #12418395



IN THE 22ND JUDICIAL CIRCUIT, CITY OF ST LOUIS, MISSOURI


RECEIVED

Judge or Division: MICHAEL FRANCIS STELZER	Case Number: 2122-CC09577	NOV 15 2021
Plaintiff/Petitioner: NEIGHBORS CREDIT UNION	Plaintiff's/Petitioner's Attorney/Address JAMES GERARD NOWOGROCKI 8909 LADUE RD ST. LOUIS, MO 63124	COLE COUNTY SHERIFF'S OFFICE
Defendant/Respondent: INTEGON NATIONAL INSURANCE COMPANY	Court Address: CIVIL COURTS BUILDING 10 N TUCKER BLVD SAINT LOUIS, MO 63101	
Nature of Suit: CC Breach of Contract		(Date File Stamp)

Summons in Civil Case

The State of Missouri to: **INTEGON NATIONAL INSURANCE COMPANY**
Alias:
C/O DIRECTOR OF INSURANCE
301 WEST HIGH ST, SUITE 530
JEFFERSON CITY, MO 65101
COURT SEAL OF

COLE COUNTY, MO


CITY OF ST LOUIS

You are summoned to appear before this court and to file your pleading to the petition, a copy of which is attached, and to serve a copy of your pleading upon the attorney for plaintiff/petitioner at the above address all within 30 days after receiving this summons, exclusive of the day of service. If you fail to file your pleading, judgment by default may be taken against you for the relief demanded in the petition.

November 10, 2021
Date

Further Information:

Thomas Whisenand
Clerk

RECEIVED

Sheriff's or Server's Return

Note to serving officer: Summons should be returned to the court within 30 days after the date of issue.

I certify that I have served the above summons by: (check one)

☐ delivering a copy of the summons and a copy of the petition to the defendant/respondent.

☐ leaving a copy of the summons and a copy of the petition at the dwelling place or usual abode of the defendant/respondent, a person of the defendant's/respondent's family over the age of 15 years who permanently resides with the defendant/respondent.

☒ (for service on a corporation) delivering a copy of the summons and a copy of the complaint to: Director of Insurance (name) Dr. Deborah Lee-Designe (title).

☐ other: _____

Served at 301 W. High St. Room 530 (address)
in Cole (County/City of St. Louis), MO, on 11/17/2021 (date) at 10:35am (time).

Al D. Whisenand (Printed Name of Sheriff or Server) By Deputy Sheriff #48 (Signature of Sheriff or Server)

Must be sworn before a notary public if not served by an authorized officer:
Subscribed and sworn to before me on _____ (date).

My commission expires: _____ (Date) _____ (Notary Public)

Sheriff's Fees, if applicable

Summons \$ _____

Non Est \$ _____

Sheriff's Deputy Salary \$ 10.00

Supplemental Surcharge \$ _____

Mileage \$ _____ (_____ miles @ \$ _____ per mile)

Total \$ _____

A copy of the summons and a copy of the petition must be served on each defendant/respondent. For methods of service on all classes of suits, see Supreme Court Rule 54.

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